CITY OF MORGAN HILL

Regular Meeting Agenda

Library, Culture, and Arts Commission

Katie Khera - Chair
Bob Benich - Commissioner
Jake Thompson - Commissioner
Paul Lake - Commissioner
Poonam Chabra - Commissioner
Suman Ganapathy - Commissioner
-

Tuesday, May 5, 2020 7:00 pm

Virtual Meeting
link in agenda packet, Morgan Hill, CA 95037

MEETING GUIDELINES

In accordance with Executive Order N-25-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. We will address the Order in the following ways:

Members of the public may NOT physically attend meetings at the Morgan Hill City Council Chamber.

The Library, Culture, and Arts Commission meeting will be live-streamed on Channel 17 and on the City's website. Those members of the public wishing to participate remotely may do so via the electronic meeting at: <https://bit.ly/05052020LCAC> or by calling in to: (669) 900-9128, then enter the meeting id: 822 9399 6488

Public comment for Library, Culture, and Arts Commission meetings will be accepted via email to chris.ghione@morganhill.ca.gov <mailto:chris.ghione@morganhill.ca.gov>. Members of the public participating in the electronic meeting wishing to speak may do so during public comment.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Members of the public are entitled to address the Commission concerning any item within the Commission's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the Commission is prohibited from discussing or taking action on any item not appearing on the posted agenda. (See additional noticing at the end of this agenda)

ADOPTION OF THE AGENDA

REPORTS

1. **COUNTY LIBRARY REPORT - JENNIFER WEEKS, ACTING COUNTY LIBRARIAN**
2. **MORGAN HILL LIBRARY REPORT - HEATHER GEDDES, COMMUNITY LIBRARIAN**
3. **FRIENDS OF THE MORGAN HILL LIBRARY REPORT - VICKY READER, FRIENDS PRESIDENT**
4. **MORGAN HILL HISTORICAL SOCIETY REPORT - KAHTY DEVINE, MUSEUM DIRECTOR**
5. **CITY OF MORGAN HILL REPORT - CHRIS GHIONE, PUBLIC SERVICES DIRECTOR (VERBAL)**

BUSINESS

6. **APPROVE THE MARCH 3, 2020 MEETING MINUTES**

   Recommendation:

   Approve Minutes.

7. **CITY OF MH COVID-19 UPDATE**
8. **MORGAN HILL HISTORICAL SOCIETY REPORT**

   Recommendation:

   1. Receive draft report on Villa Mira Monte Historic Site and potential use as an event venue; and
   2. Provide comments on feedback on future use for the Villa Mira Monte site.

9. **SELECTION OF CHAIR AND VICE CHAIR**

   Recommendation:

   Select Chair and Vice Chair.

10. **WORK PLAN UPDATES**

    Recommendation:

    Commissioners to provide updates on Work Plan items.

ANNOUNCEMENTS

FUTURE COMMISSION AGENDA ITEMS:

ADJOURNMENT

NOTICE

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act that are distributed to a majority of the legislative body less than 72 hours prior to an open session, will be made available for public inspection at the Office of the City Clerk at Morgan Hill City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 at the same time that the public records are distributed or made available to the legislative body. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the Commission concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Commission on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Commission Chambers, and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order to speak to the Commission, but it is very helpful. When you are called, proceed to the podium and the Mayor will recognize you. If you wish to address the Commission on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the Commission.

Persons interested in proposing an item for the Commission agenda should contact a member of the Commission who may plan an item on the agenda for a future Commission meeting. Should your comments require Commission action, your request may be placed on the next appropriate agenda. Commission discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Commission at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the Commission, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of Commission Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

santa clara county library district

May 2020
Library Stakeholder Report
Jennifer Weeks, Acting County Librarian

Library and Patrons Embrace a Digital World

As we close out our seventh week of shelter in place, we have made significant changes to the way we offer library services in this “new normal”. Since March 16 when the shelter in place mandate took effect, all library staff have been teleworking in accordance with the county directive to flatten the curve and keep everyone safe.

Something you may not be aware of, SCCLD staff are county employees and all county employees are Disaster Service Workers. We’ve had many of our pages, clerks and warehouse staff called in to serve as Disaster Service Workers and we are very proud of the important work they are doing on behalf of Santa Clara County.

What seems like overnight, we have moved from a physical world to an all-digital world to serve our patrons. This includes providing:

- Technology, training and support to staff to successfully telework
- Access and expansion of the digital collection
- LIVE online programs Mon-Sat
- Call in book clubs for those who prefer to use a phone over a computer
- Phone, chat and email reference and account service 7 days/week from 10am-6pm
- Website refreshed frequently to focus on all digital materials and new services
- Weekly email communications to patrons (sign up to receive our weekly emails)

All of this has resulted in even more engaged library users with the following:

- eCards: Over 2,300 new eCards in the month of April and almost 3,600 since we started shelter in place
- Student eAccounts: Access to the student portal increased from 3,000 views in Feb to 9,000 in March and over 11,500 views in April
- Streaming Video: Patrons are enjoying streaming video with our numbers doubling
- Chat: Patrons are appreciating our chat service as our chat volume had tripled
- Phone: We’ve implemented a new centralized phone service to be able to receive and answer calls from patrons remotely from centralized phone numbers

- eBooks: Our patrons continue to enjoy reading as our eBook circulation increased from 60,000 to 150,000 checkouts

WHAT'S NEW:

We've continued to add to the list of resources, programs and services we provide. Some notable additions include:

- New phone service to call and speak with a Librarian or Clerk live with reference or account questions. Our staff are available Monday through Sunday from 10am – 6pm to answer questions.
    - Ask-a-librarian: (408) 540-3947
    - Account questions: (408) 540-3945

- School age programs: Storytime is a fun, engaging way for little ones to develop a love of literacy. In addition to the family storytimes that are offered Monday-Saturday, we're offering a special storytime on Tuesdays 5pm on Facebook LIVE for children ages 5+, plus book groups for school age kids

- Teen Adulting 101: For our teens, we have a series of videos by the Founder of Life Launch on different topics important and relevant to teens.

- STEAM: Science Technology Engineering Art Math programs are important to keep young minds developing. Our staff have started a STEAM program for school age kids.

- Bilingual Storytime: We've implemented a weekly storytime in Spanish/English on Thursdays at 5pm and Mandarin/English on Fridays at 5pm. These special storytimes are very well attended!

- ESL Conversation Clubs: Our ESL Conversation Clubs and ESL book club are by registration only and very quickly we found each of the classes had a waitlist for more to join. Each session allows 20 participants and we currently offer classes 3 days/week. We will continue to expand the number of classes we offer in May

- Programs for Adults: So the kids and teens don't have ALL of the fun, we have virtual film clubs for adults, SCORE to learn how to start a business, book groups for all ages, and more.

SCCLD Is Ahead of the Curve

We are fortunate that as the entire world was forced to shift to a virtual world, SCCLD had already made some key investments and implementations that helped us make the turn quickly and effectively. We had completed the following critical initiatives prior to COVID-19:

- Launched the brand new website with many new features and staff enabled updates
- Recently trained our staff on how to add events and blogs to the new website
- Designed and implemented an online Library eCard registration platform
- Implemented Sharepoint intranet for safe internal file sharing and communication
- Implemented Office365 for secure, remote access to work files
- Purchased laptop carts containing 12 laptops for each of the community libraries
- Conducted a study to identify a new, centralized phone service provider

All of these actions have paid off in allowing SCCLD to successfully telework from home and provide valuable library services to our patrons—virtually. Our IT staff quickly went into action to configure the laptops we had for public programs to make these available for staff to conduct work from home. And now, our talented library staff are fielding patron chat, email and phone questions, have increased the frequency of blogging, are conducting live virtual programs, posting on social media, and can access their work files and take valuable training courses from home. And to highlight this work, our virtual library team skillfully redesigned the homepage and other key pages of the website to focus solely on the virtual services and online resources we currently offer.

Our patrons are fortunate that we built our custom eCard registration platform for residents without a library card to instantly receive an eCard with the Santa Clara County Library District as we shelter in place. This card gives the user immediate access to borrow all online materials available through SCCLD.org.

And finally, since we had already worked with the 13 public K-12 school districts within our Library District to provide all 90,000 students with a Student eAccount, all students in our district can access our digital resources to support at home learning.

What's Next?

SCCLD is working on identifying what steps are needed to reopen when the time is right, with a safe, phased approach. We will map out what services we can offer according to the county health guidelines for our staff and patrons to be successful. We have a team working on this plan which will be informed by information from IMLS, other leading library systems, ALA, PLP and more. We will be updating you through the commission meetings or by email when our plans are ready to be shared.

Please enjoy this short video we created for you. If you would like a copy of the video to share, please contact Diane Roche at droche@sccl.org. Thank you for your support of the library. We miss you.

Library, Culture, and Arts Commission Report, May 5, 2020
Heather Geddes, Community Librarian

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Library News

Construction on our building project was mostly halted for the month of April but is resuming on May 4th. The completion date of the project will be delayed until later this summer.

Our annual children's art contest has been postponed until the school year begins in the fall.

The Morgan Hill Library has launched an Instagram page focused on the theme of being connected. Our librarians will be sharing images about the library and the community that demonstrate a sense of connection while we are all isolating. We will also be sharing information on library programs and community resources that exist to help residents during this challenging time.

April Highlights

SCCLD has added an Espanol Reading Room for adults and children to our e-book collection. There are hundreds of titles available for patrons to read in Spanish. Since its launch in mid-March there have been over 1200 checkouts!

Librarians across the district, including our own Morgan Hill librarians, have launched Facebook live storytimes. There are 11 storytimes each week, including one in Spanish and one in Chinese. Morgan Hill has been presenting storytimes every Friday at 5pm, averaging 42 live views and 255 overall views each.

Our staff have also been working hard to connect with patrons via Facebook while the physical library building is closed. They have been posting and linking to organizations providing help to residents while sheltering in place, as well as coordinating with the district on all of our Facebook live events. Our children's staff have also continued the library's popular I Spy Box in the virtual environment.

Did You Know?

Are you getting bored with your limited repertoire in the kitchen? Do you wish you had the ideas and skills to make something new that your family will love? Stream free videos from our Great Courses online collection, simply search in our online catalog by title. This series by The Everyday Gourmet includes Making Healthy Food Taste Great, Essential Secrets & Spices, Mediterranean Cooking, Cooking with Vegetables, Baking Pastries & Desserts, and Master Outdoor Cooking

Upcoming Virtual Library Events

Wednesday 5/6 11am Kanopy Film Discussion Group

Wednesday 5/6 3pm Steam Program Online: Eggcellent Eggs!

Thursday May 7 11am Online ESL Club

Thursday May 7 6pm Kanopy Film Series: Slightly Unhinged Eccentric Characters and Films

Thursday May 7 6pm SCORE: Simple Steps for Starting Your Business Video Series

<u>Facebook Live Storytime Schedule:</u>

11am & 5pm Monday – Friday
11am Saturdays

DRAFT

CITY OF MORGAN HILL

Meeting Minutes
Library, Culture, and Arts Commission

Katie Khera	-	*Chair*
Brigitte Crawford	-	*Vice-Chair*
Bob Benich	-	*Commissioner*
Jake Thompson	-	*Commissioner*
Paul Lake	-	*Commissioner*
Poonam Chabra	-	*Commissioner*
Suman Ganapathy	-	*Commissioner*

Tuesday, March 3, 2020 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

CALL TO ORDER

ROLL CALL ATTENDANCE

Attendee Name	Title	Status	Arrived
Katie Khera	Chair	Present	
Brigitte Crawford	Vice-Chair	Absent	
Bob Benich	Commissioner	Present	
Jake Thompson	Commissioner	Present	
Paul Lake	Commissioner	Present	
Poonam Chabra	Commissioner	Present	
Suman Ganapathy	Commissioner	Present	

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

None

ADOPTION OF THE AGENDA

Motion Ganapathy, Second Lake, Adopted 6-0

RECOGNITION OF OUTGOING COMMISSIONERS

Commissioners recognized outgoing Commissioner Benich.

REPORTS

1. COUNTY LIBRARY REPORT, JENNIFER WEEKS, INTERIM COUNTY LIBRARIAN

Report provided by Allison Lew, Library Services Manager

2. MORGAN HILL LIBRARY REPORT - HEATHER GEDDES, COMMUNITY LIBRARIAN

Report provided.

3. FRIENDS OF THE MORGAN HILL LIBRARY REPORT - VICKY READER, FRIENDS PRESIDENT

Report provided.

4. MORGAN HILL HISTORICAL SOCIETY REPORT - KATHY DEVINE, MUSEUM DIRECTOR

No report.

5. CITY OF MORGAN HILL REPORT (VERBAL) - CHRIS GHIONE, PUBLIC SERVICES DIRECTOR

Report provided.

BUSINESS

6. APPROVE THE FEBRUARY 4, 2020 MEETING MINUTES

Recommendation:

Approve Minutes.

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Bob Benich, Commissioner
SECONDER:	Poonam Chabra, Commissioner
AYES:	Khera, Benich, Thompson, Lake, Chabra, Ganapathy
ABSENT:	Crawford

7. SISTER CITY REPORT - AMY WHELAN

Report provided.

8. ART A LA CARTE PLANNING

Commissioners discussed event and setting up a working meeting prior to the April meeting.

9. INTERNATIONAL FESTIVAL PLANNING

Commissioners discussed event planning.

10. ANNUAL ART MAINTENANCE INSPECTION- COMMISSIONER BENICH

Report and recommendations provided.

11. REPORT ON MORGAN HILL CABLE ACCESS CHANNEL - COMMISSIONER BENICH

Report provided.

12. WORK PLAN UPDATES

Recommendation:

Commissioners to provide updates on Work Plan items.

RESULT:	**ACCEPTED**

ANNOUNCEMENTS

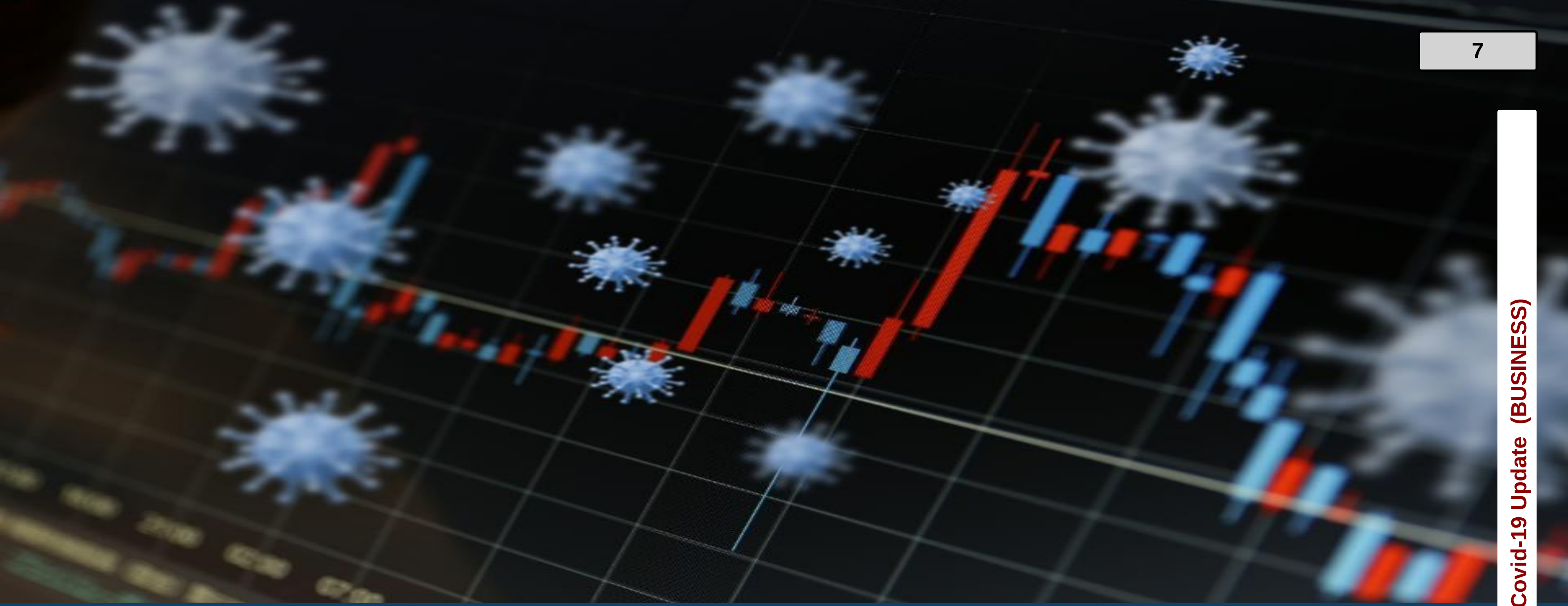
FUTURE COMMISSION AGENDA ITEMS:

ADJOURNMENT

8:45pm

CITY OF MORGAN HILL

Commission
Covid-19 Update &
Fiscal Impact/Budget Update



COVID-19
City Response

CITY OF MORGAN HILL

CITY OF MORGAN HILL

COVID-19

- Shelter in Place order begins mid-March
- Recent County order extended through May
- Statements from the State and County indicate full return from Shelter in Place could be several months (Fall 2020)

CITY OF MORGAN HILL

COVID-19 City Response

- Declared a local emergency
- Enacted an emergency order prohibiting rent increases
- Providing guidance to local businesses on shelter-in-place orders
- Advocating for funding at all levels
- Working with County on plans for DePaul Health Center

COVID-19 City Response

CITY OF MORGAN HILL

- Created and updating daily the Morgan Hill Covid webpage
- Sending regular social media and e-mail updates
- Preparing and broadcasting videos created by the City Council and Leadership Team
- Managing a virtual information call center (408.767.6404)

CITY OF MORGAN HILL

COVID-19 City Response

- Hosting weekly Zoom Town Hall meetings

- Collaborated with regional partners and community-based organizations to assist families and individuals in need of rental assistance and/or hotel vouchers for homeless families with health conditions

- Created and manage a local list of Food and Community Resources available to the community during COVID-19

COVID-19 City Response

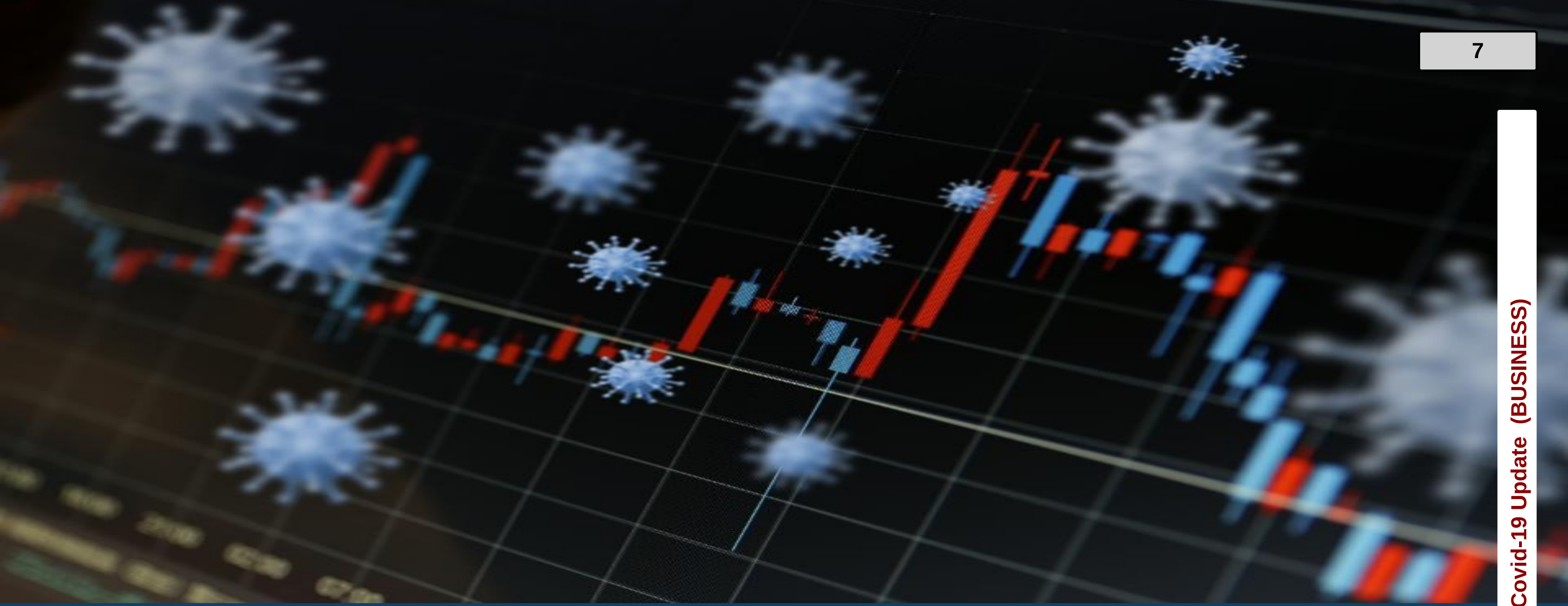
CITY OF MORGAN HILL

- Opened a virtual membership to Centennial Recreation Center (CRC) Members and the community
- Partnered with the YMCA to provide for the pickup of nearly 100 meals a day to Seniors
- Providing information to businesses and employees affected by COVID-19 through dedicated web page
- Sharing key relevant COVID-19 information to businesses

COVID-19 City Response

CITY OF MORGAN HILL

- Coordinating Business Resiliency Roundtables to provide technical information and support to businesses
- Relaxed on-street parking regulations to support curbside pick-ups
- Working with the Chamber of Commerce, Downtown Association, and Visit Morgan Hill to support businesses



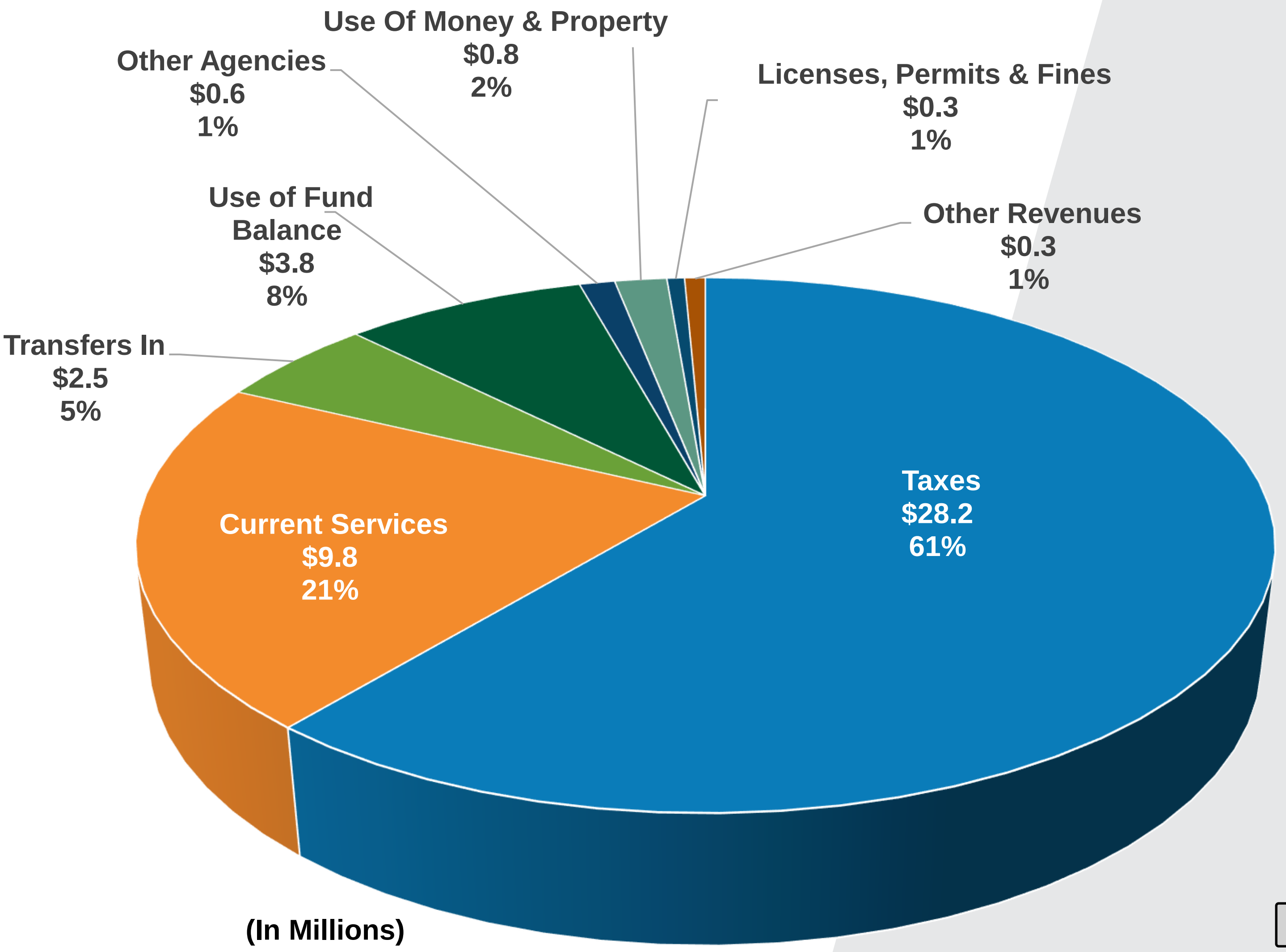
COVID-19
Fiscal Impacts

CITY OF MORGAN HILL

General Fund

CITY OF MORGAN HILL

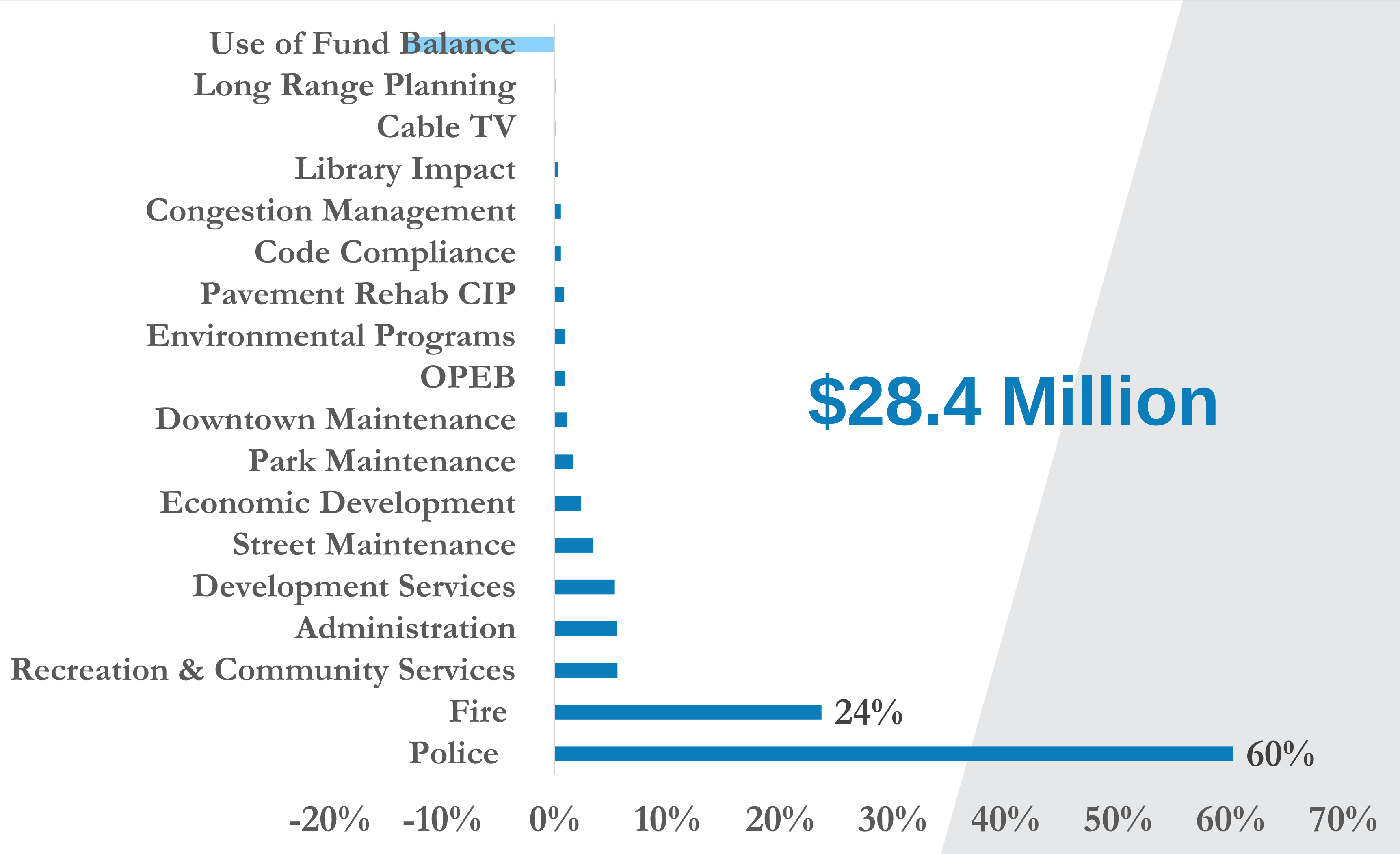
General Fund Resources by Category FY2020-21: $46.2 Million



(In Millions)

CITY OF MORGAN HILL

General Fund Discretionary Expenditures FY 2020-21



Communication: City of MH Covid-19 Update (BUSINESS)

CITY OF MORGAN HILL

COVID-19 Economic Recovery Assumptions

- Shelter-in-place ends early summer
- Phase back in services and programs
- Reduced revenues/increased expenditures
- Similar fiscal impacts as the Great Recession or more

CITY OF MORGAN HILL

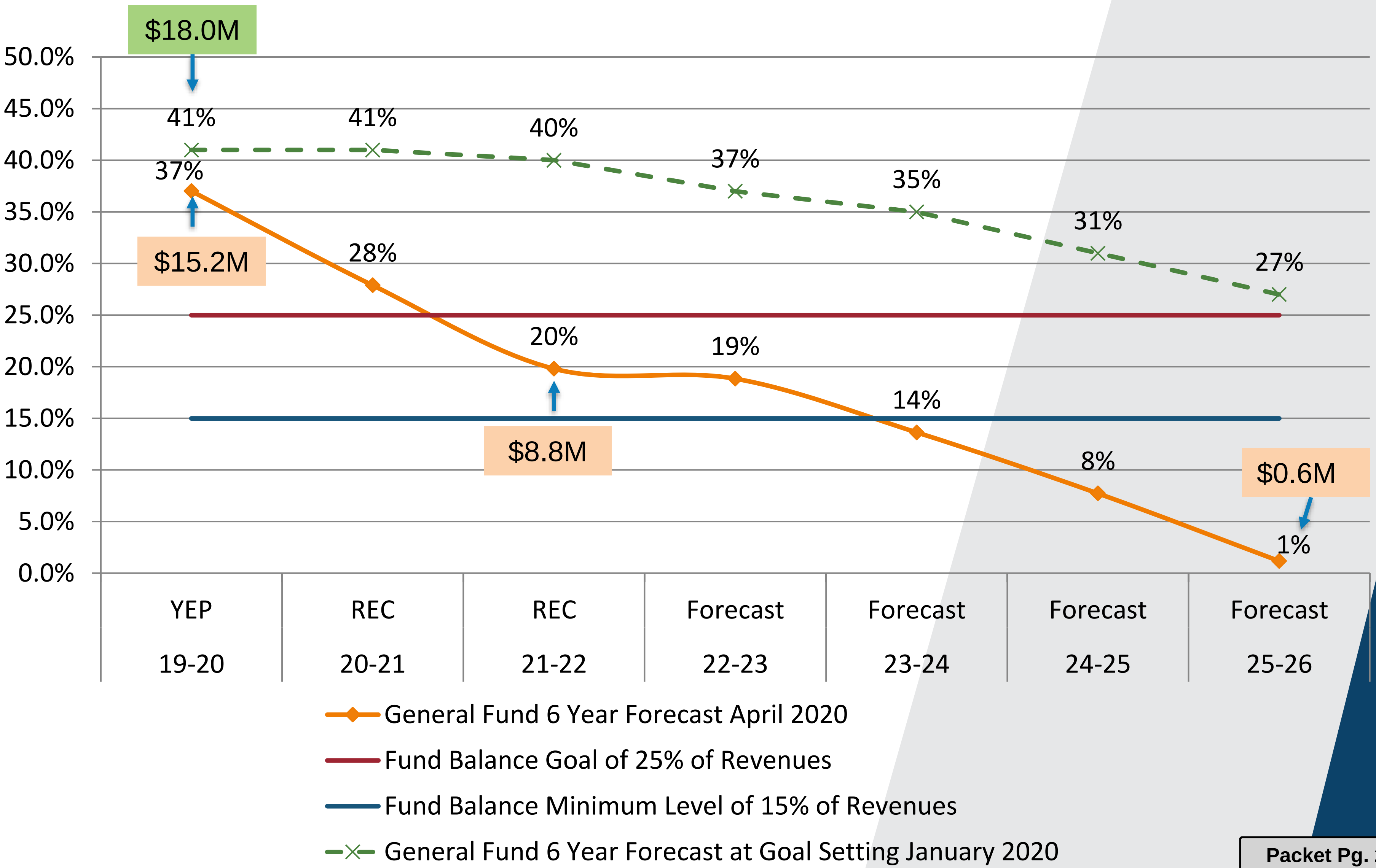
Fiscal Impacts of COVID-19 on Major Revenue Sources

Revenue **Loss** by Major Revenue Categories

Revenue Type	FY2019-20	FY2020-21	FY2021-22	TOTAL
Property Tax	$0.1M	$0.1M	$0.6M	$0.8M
Sales Tax	$1.5M	$1.8M	$1.5M	$4.8M
Recreation	$0.9M	$0.8M	$0.4M	$2.1M
Hotel Tax	$0.9M	$0.6M	$0.2M	$1.7M
Fund 206	$1.2M	$1.3M	$0.3M	$2.8M
TOTAL	**$4.6M**	**$4.6M**	**$3.0M**	**$12.2M**

General Fund Six Year Forecast

CITY OF MORGAN HILL



CITY OF MORGAN HILL

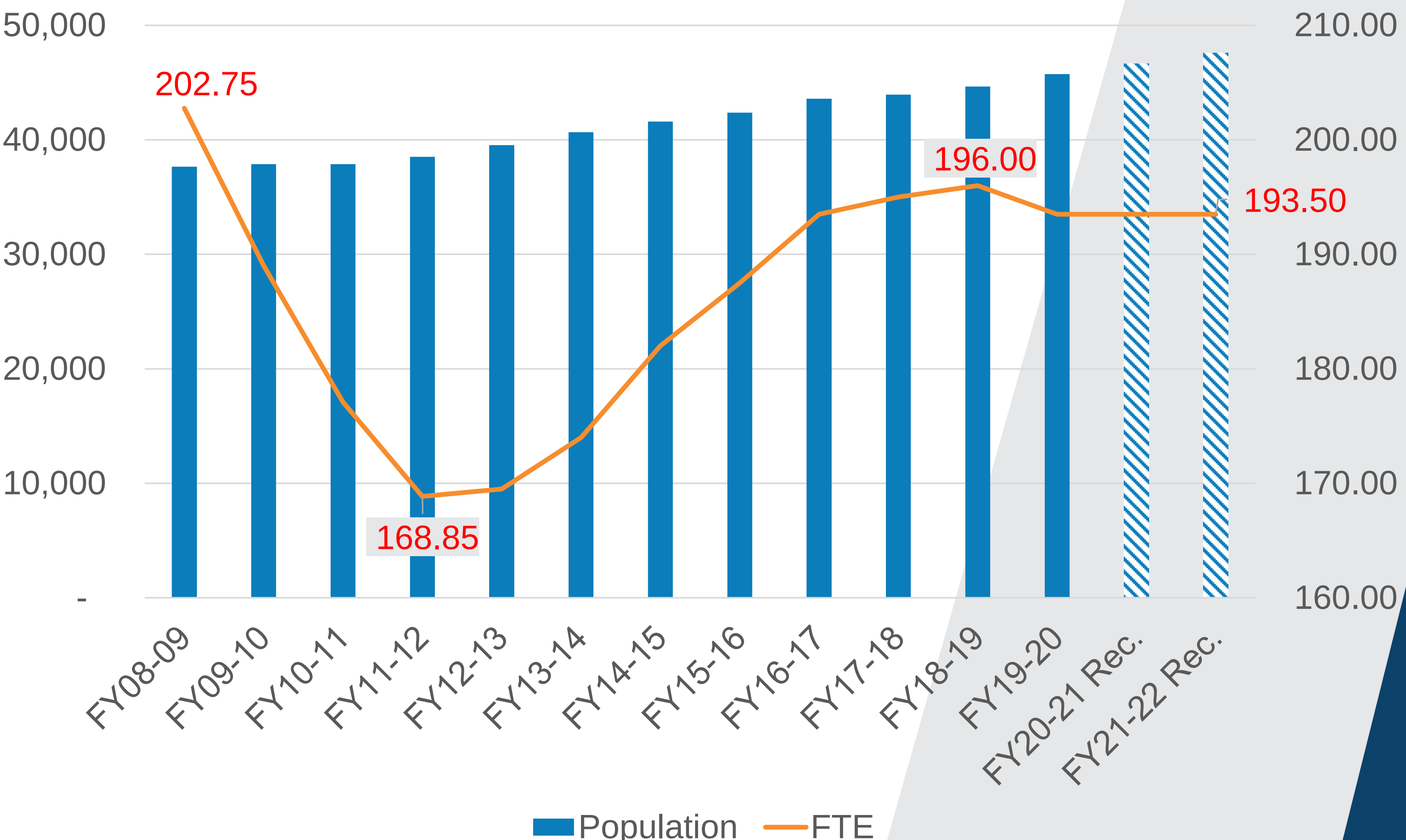
General Fund Balance Comparison

Recommended Budget	YEP	20-21	21-22
Beginning Balance	**$17.9**	**$15.3**	**$11.9**
Revenues	41.2	42.4	44.3
Expenses	(43.8)	(45.8)	(47.3)
Surplus/(Deficit)	*($2.6)*	*($3.4)*	*($3.0)*
Ending Balance	**$15.3**	**$11.9**	**$8.9**

Council Goal Setting (January 2020)	YEP	20-21	21-22
Beginning Balance	**$17.9**	**$18.0**	**$18.4**
Revenues	44.1	44.5	45.5
Expenses	(44.0)	(44.1)	(45.5)
Surplus/(Deficit)	*$0.1*	*$0.4*	*$0.0*
Ending Balance	**$18.0**	**$18.4**	**$18.4**

CITY OF MORGAN HILL

History of Full-Time Equivalent (FTE)



FY2020-21 and FY2021-22 assume 2% population growth (10 yr. avg.)

Communication: City of MH Covid-19 Update (BUSINESS)

Existing Unfunded Needs

CITY OF MORGAN HILL

Unfunded General Fund Needs

City of Morgan Hill

Total Annual Unfunded General Fund Needs = **$6M**

- Police $1.3M
- Fire $2.3M
- Building Maintenance and LAD **$0.1M** Updated
- Pavement Rehabilitation **$1.1M** Updated
- Street Maintenance $0.2M
- ~~Park Maintenance $0.7M~~ Addressed via Quimby Fee
- **Operational loss due to RDCS Suspension $1.0M**

Strategies to Address Revenue Impacts

CITY OF MORGAN HILL

CITY OF MORGAN HILL

Multiple Ways to Address Revenue Impacts

- Use of reserves/fund balance
- **Reduce expenditures**
- Seek COVID-19 State and Federal Funds as available
- New revenue sources including ballot measures

CITY OF MORGAN HILL

Summary

- Current estimated revenue loss to General Fund and Development Services = $12.2M
- Total identified expenditure adjustments to address revenue loss = $2.5M
- Working to address the shortfall with minimal impact to the community

City Commissions

Prior Considerations During the Economic Downturn

CITY OF MORGAN HILL

Budget Reduction Strategies

- Combine Commissions (PRC & LCAC)
- Meet every other month
- Reduce staff support and/or video service during meetings
- Commissioner thoughts?

CITY OF MORGAN HILL

LIBRARY, CULTURE, AND ARTS COMMISSION STAFF REPORT
MEETING DATE: May 5, 2020

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: Chris Ghione, Public Services Director

MORGAN HILL HISTORICAL SOCIETY REPORT

RECOMMENDATION(S)

1. Receive draft report on Villa Mira Monte Historic Site and potential use as an event venue; and
2. Provide comments on feedback on future use for the Villa Mira Monte site.

REPORT NARRATIVE:

The Morgan Hill Historical Society operates and maintains the 2.5-acre site known as Villa Mira Monte, including the Hiram Morgan Hill House, Museum and Centennial History Trail. In 2017, the City entered into a partnership with the Historical Society to preserve the site and support the operation of the site as a park facility. The City's Capital Improvement Program and the City's Bikeways, Trails, Parks and Recreation (BTPR) Master Plan for the future development of Villa Mira Monte site. The Historical Society has long planned for the future improvements to include additional outdoor event space and buildings to fully build out the site to support increased utilization as an event center, while at the same time improving the site as a historical resource.

The City and Historical Society agreed that before moving forward with further design that a more detailed analysis of the sites potential as an event venue would be reviewed. The City engaged Management Partners, a consulting company to review and evaluate the current Villa Mira Monte facility master plan with consideration of best use of the site from a long-term sustainability perspective (cost recovery, revenue generation, and operations and maintenance). This report is included as Attachment 1. The Historical Society's response to the report is included as Attachment 2.

The City Council has designated the Library, Culture and Arts Commission as the designated advisory Commission for Villa Mira Monte and the City's Historical Resources. In this role the City staff is bringing this report forward for discussion by the Commission. Commission comments and recommendations will be documented and provided when the report is shared with the City Council.

LINKS/ATTACHMENTS:

1. 3237001_MorganHillEventVenue_Report
2. Management Partners Wrap Response 4.28.20

City of Morgan Hill
Villa Mira Monte Historic Site – Event Venue

January 2020

Management Partners

Management Partners

January 14, 2020

Mr. Chris Ghione
Community Services Director
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Dear Mr. Ghione:

Management Partners is pleased to transmit this project report regarding the Villa Mira Monte Historic Site. We evaluated the current site with respect to its operational challenges and the potential for success as an event venue. We have provided our observations and recommendations about what the City should consider before making any further capital improvements in the historic site, including the merits of investing in the site in support of making it a destination event venue. Overall, due to the constraints of the site as well as operational and management challenges, we believe the City should sustain the site as a historic community asset and not as an expanded event venue destination.

Sincerely,

Andrew S. Belknap
Senior Vice President

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Executive Summary

The City of Morgan Hill engaged Management Partners to assess the feasibility of an expanded event venue at the site of the historic Villa Mira Monte. The goal of such an expansion would be to improve sustainability with a reliable revenue stream to support ongoing facility maintenance and operations costs of the site and the Historic Society.

In conjunction with the Morgan Hill Historical Society (Historical Society) and the City of Morgan Hill, Management Partners evaluated the operational challenges with the current site and evaluated what we believe will be required before any further capital improvements are invested in the historic site. We reviewed case studies for successful historic destination event venues and conducted interviews with staff from the Historical Society and the City of Morgan Hill.

This memorandum provides background on the site, our observations regarding the current operational context, what would be required to be a viable event destination, and some preliminary recommendations for immediate next steps. Our review and analysis resulted in the following major observations and conclusions.

1. Successful historic event venue destinations cannot rely on a small historic house as the primary attraction. Typically, while venues may be historic in nature, they have the following characteristics:
    - Emphasis is placed on providing space for events, which may or may not relate to the history of the site.
    - Event planning (weddings, ceremonies, special events) has shifted from indoor activities to utilization of outdoor spaces that provide more flexible uses. When indoor space is needed, covered areas and/or tents are utilized.
    - Events are becoming destination-oriented where renters look for a venue that provides a full range of support, e.g., vendors, photo opportunities, and overnight accommodations.
    - Successful venues require paid staff who have regular hours, take bookings, answer questions, and can provide support from the booking through the event.

- Events are typically staffed with attendants during most activities to oversee use of the venue.
- The event venue has determined their market focus. In other words, the venue has a specialty of users (e.g., weddings) and market specifically to that audience.

2. The Historical Society's primary mission is to "*preserve and share the history of Morgan Hill, and its environs, to inspire a sense of community.*" While not inconsistent with a successful historic event destination, the non-profit's focus and interest does not now include maintenance and operation of an event venue. There is no paid staff, nor does the interest of their members necessarily include this type of function. An event venue is not currently part of the Society's Strategic Plan. (They are currently evaluating whether the society can support a museum/park event-focused mission.) Until and unless this changes, the Historical Society is not positioned or able to operate an expanded historic event venue.

3. The proposed $1.8 million capital improvement investment (landscaping and parking) by the City *may* expand opportunities for rentals. However, based on our analysis, the factors below and the site's constraints, we are not convinced it will ever be a robust event venue destination or provide a commensurate return on investment. Rather, the site's primary purpose is that of housing a museum and perhaps some ancillary community events from time to time. This may be all that can and should be achieved.
   - Based on information provided by the City, the maximum number of parking spaces is 67 with the maximum use at 150. These constraints coupled with storm water mitigation requirements would further impact use of the site use and limit the ability for success.
   - There are many area wineries and associated event facilities/sites with established operating plans that are similar in size to the historical site. Trying to compete with the established venues in the private sector, even if managed by the City, would be difficult at best. Should City leaders decide to invest in the event venue site, they should explore partnering with someone who has experience in this established niche market.
   - Should either the maintenance and/or operation of the site be taken over by the City, the increased cost of City staff and operational requirements would no doubt raise the

cost of operations well above that provided by volunteers or the private sector. This would more than likely price the cost of rental of this space beyond marketability.

There has been no marketing analysis to determine competition in the area for similar rentals (wineries, other historic destination event venues), little strategy for determining what may be captured with such an investment based on an identified market, and no differentiation between the purpose of the Historical Society as it relates to history (the museum), and what it should achieve in operating the property as an event venue. (An in-depth marketing analysis was beyond the scope of this engagement although a high-level listing of event venues in Santa Clara County is provided in this report as information.)

Prior to making any major capital investment by the City, our major recommendations are:

- Sustain the site as a historic community asset and not as an expanded event venue destination.
- Develop a *strategic plan* for the site to address:
  - Stakeholder interests and goals for the future of the site either as an event venue (if determined to be viable) or a sustainable historical asset in the community.
  - A long-term mission and vision for the site, specific goals to accomplish the site's mission, and a plan to implement them. This should elicit a practical solution for the site that incorporates feedback from all stakeholder groups.
  - The market for and feasibility of an expanded historic destination event venue on the site compared with maintenance of the site as an important historic place in the community. It should include an environmental scan of existing facilities and the potential for rentals. In short, it should answer the questions: Who are you trying to reach? Who would use the facility? and Can the site accommodate the facilities required to support the event venue?
  - Potential partnerships and/or third-party operator agreements (e.g., Morgan Hill Historical Society, City Council, community members, etc.) should an event venue destination be determined to be realistic.
  - Additional resources need to accomplish identified goals for the site, including funding responsibilities.

- Develop a business plan to implement the strategic plan. The business plan would specifically identify the operational entity for the facility and a revenue structure for its sustainability.
- If there is continued interest in pursuing the site as an event venue, an interim investment by the City in support of developing an operational budget may be required. This would provide paid staff for the historical site event venue through increased rental rates, in-kind services from the City and an increased annual financial allocation by the City. This will provide more information about what's possible in the current operational environment.

Attachment A provides a full listing of our recommendations.

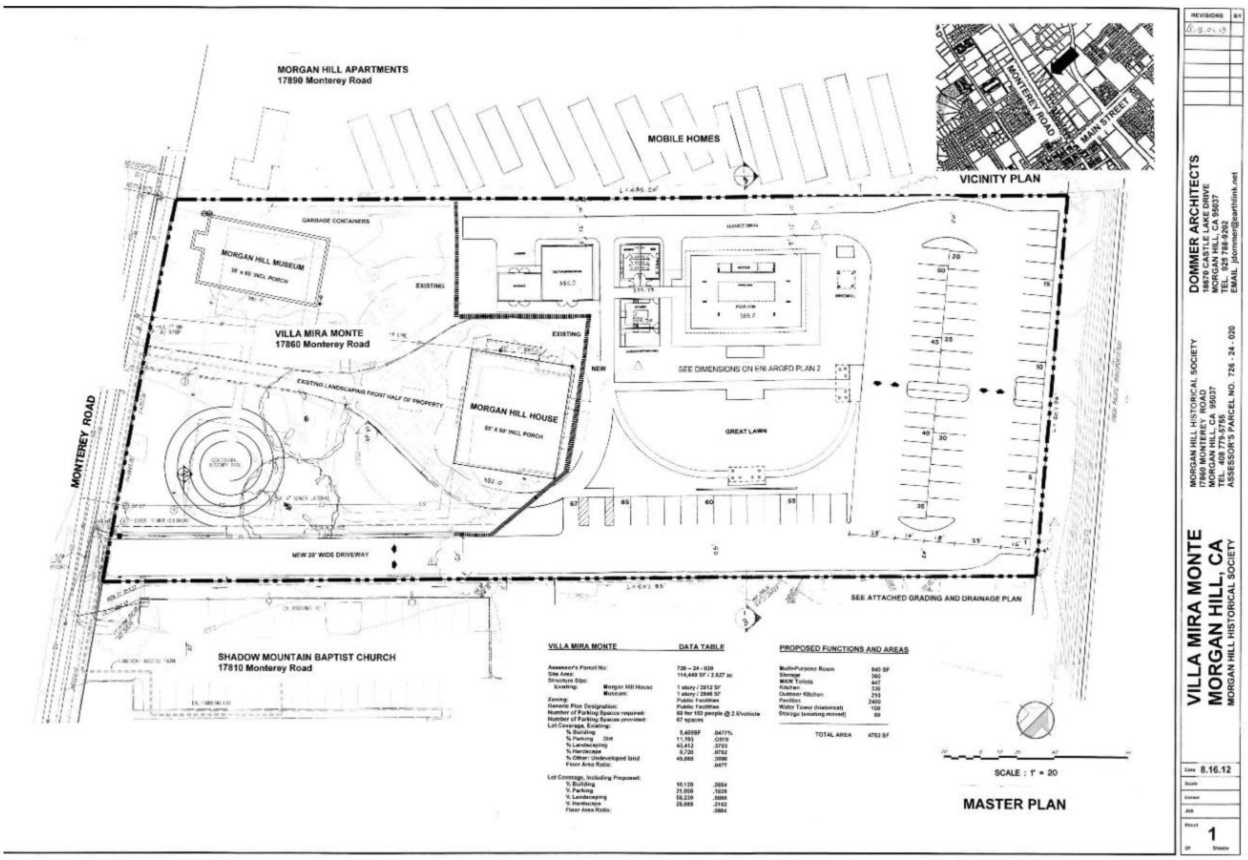
This report is organized into the following sections:

- Background,
- Project Approach,
- Villa Mira Monte Event Venue – Current Operations,
- Alternative Operational Options, and
- Conclusion.

Background

Villa Mira Monte is a 2.5-acre site with two historical buildings. The main house, referred to as the Hiram Morgan Hill House, was built in 1884 and is used as an event venue with upstairs storage for the Historical Society. A second building that was built in 1911 and brought onto the site, is used as the Morgan Hill Museum. A site map of the property is shown in Figure 1.

Figure 1. Villa Mira Monte Property Site Map



Source: Documents provided by Morgan Hill Historical Society.

The site was entered into the National Registry of Historic Landmarks in 1978 and the Morgan Hill Historical Society took title of the property in 1993 under an Owner Participation Agreement with the City. The covenants, conditions, restrictions, and easements dictate that the site must be maintained as a public educational and recreational park and will revert to the City's ownership if that purpose is not fulfilled. In 2017, the City entered into partnership with the Historical Society to preserve the site and support the operation as a park facility. An overview of the facility is provided in Table 1.

Table 1.Villa Mira Monte Property Overview

Category	Villa Mira Monte Data
Site Area	114,449 square feet/2.627 acres
Morgan Hill House	2,912 square feet
Morgan Hill Museum	2,546 square feet
Zoning Designation	Public Facilities
Parking Spaces	67 spaces

Source: Documents provided by Morgan Hill Historical Society.

The Morgan Hill Historical Society began in 1971 as a 501(c)(3) corporation and has devoted its resources to site preservation, maintenance, and operation. The organization has no paid staff and relies exclusively on volunteers to support its board and operations.

In 2017, the Morgan Hill Historical Society entered into a memorandum of understanding with the City of Morgan Hill where the Historical Society committed to operate and maintain Villa Mira Monte as a community resource in exchange for City funding (a minimum of $20,000 per year), marketing, and limited administrative functions. Since then, the City of Morgan Hill has provided funds for site maintenance and improvements.

Recent site improvements have included the addition of basic infrastructure elements such as a driveway, parking spaces, storm drainage system, and utilities. The City also provides support through limited marketing of the Villa Mira Monte site and Historical Society programs through the City's Community Services system (e.g., email blasts and the City's Recreation Activity Guide). The City has also assigned a staff liaison to support the coordination of Historical Society programs into the marketing and promotions plan for the Community Services Department and regularly attend Historical Society meetings. As part of the agreement, the Historical Society is responsible for all operations, including coordinating facility rentals.

Historical Society Strategic Plan

In September 2019, the Morgan Hill Historical Society adopted the following three-year priorities intended to improve the Society as a community asset.

1. Establish Business Operations Best Practices,
2. Sustainability Assessment, and
3. Expand Cultural Diversity.

Priorities 1 and 2 relate to the Villa Mira Monte site and directly impact its future operations. Priority 1 includes implementing an Operations Council, consisting of Board members and volunteers, with responsibility for the day-to-day management of the Villa Mira Monte site. The Operations Council will be responsible for planning, production, and proper staffing of events and activities that support the Society's mission to "*preserve and share the history of Morgan Hill, and its environs, to inspire a sense of community.*"

Priority 2 involves assessing the sustainability of the Society's funding and volunteers to support its operations. Historically the Society has been dependent on volunteers, fundraising efforts and annual contributions from the City. In the next three years, the Society plans to conduct a self-evaluation of events, activities, and services to determine if there is sufficient funding, identify future capital needs of Villa Mira Monte, and decide whether to pursue a museum- and park-focused mission or an event-focused mission, or both, based on resources available.

Historical Site Plan and Proposed Capital Improvement Investment

Currently, the front half of the Villa Mira Monte property includes the 1941 Morgan Hill Museum, the 1884 Hiram Morgan Hill House, support parking and landscaping, and the 2006 Centennial History Trail. The back half of the property against the railroad tracks is currently undeveloped.

Improvements to Villa Mira Monte are currently designated in the FY 2019-24 six-year Capital Improvement Program for the City of Morgan Hill as Project Number 144017. The project meets the City Council's priority of preserving the community's cultural heritage, supporting youth, seniors, and the entire community. The first phase would create parking and finalize landscaping at the site. A total of $250,000 has been allocated for architecture and design in FY 2019-20 and $1.8 million has been allocated for construction in FY 2020-21. The second phase to add a building and covered pavilion area is not currently funded.

Based on our review of successful venues, the property has several constraints and issues that may in the long-term limit the site as a successful event venue. The property is bordered to the north by a mobile home park and to the south by a school with a large amount of parking. The undeveloped back side of the property abuts a railroad that is planned to contain the California High Speed Rail system and increases in the service levels of Caltrain in the future. (We recognize this may or may not occur.) All three sides detract from the ambience of the historical nature of the property as an event destination and sound mitigation required by City ordinance for larger outdoor events may be challenging to meet. Finally, the site is north of the downtown district in an older residential area, which limits the desirability as a robust event venue destination.

Though the improvements proposed in the City's Capital Improvement Program Phase 1 would spruce up the property (additional landscaping/ improved parking), we do not believe these improvements would significantly expand the use of the property as an event destination. In fact, adding additional parking with any hardscape surface (asphalt, pavers) may diminish the ability to use the space behind the house in a flexible manner because too much hardscape will limit flexibility, which is the trend in event venues. Additionally, converting the property's undeveloped areas to impermeable surfaces will require storm water improvements not included in the proposed site plan. These improvements may result in additional capital costs, new ongoing operational requirements, and a reduced footprint from that originally envisioned in the revised plan.

The combination of existing constraints and history (e.g., lack of existing and future parking; storm water improvement requirements; impacts on surrounding neighborhood; lack of adequate on-going funding) result in this site being a considerable longshot as an event venue that could compete successfully in the market.

Project Approach

In conjunction with the Morgan Hill Historical Society and the City of Morgan Hill, Management Partners has evaluated the current site with respect to operational challenges and evaluated what we believe will be required before any further capital improvements are invested in the historic site. The goal of the analysis was to provide our observations and recommendations about whether it makes sense for the City to proceed.

We conducted interviews with staff and leaders from the City, the Morgan Hill Historical Society, and members of the community. Concurrently, Management Partners' team members reviewed Morgan Hill Historical Society financial data for the past five years, agreements with the City for the use and operation of Villa Mira Monte, and other publicly available information. We also developed two case studies regarding other successful historic event venue destinations.

Interviews

Following the kickoff meeting and during the next several weeks, Management Partners conducted interviews with five City staff members, representatives from the Morgan Hill Historical Society, and a local developer/event site owner. In addition to the initial interviews, we conducted follow-up conversations throughout the project as needed, and conducted interviews with additional individuals when requested. Interviews were conducted with the following individuals:

- Director of Community Services,
- Community Services Manager,
- Community Services Supervisors (2),
- Historical Society volunteers (2),
- Local developer/event site owner, and
- Economic Development Director.

The intent of the interviews was to discuss the history of the site as an event venue, the strengths and weaknesses of the management of the site by the Historical Society, and to discover opportunities that could be used to enhance the management and use of the site. The major takeaways from the interviews were:

1. The Historical Society operates and manages the event venue through volunteers and is struggling to secure an adequate number of volunteers to be available to rent, promote, and staff events that take place at the site.
2. The Historical Society owns the property, but ownership reverts to the City should the Society become insolvent and the Historical Society is fully responsible for management of the Villa Mira Monte Historical site.
3. The Historical Society sees providing education through history as part of museum operations as their primary purpose. Operation of an event venue, other than showcasing the historic house, is not the primary purpose of the organization and there is concern that the Historical Society's ability to operate the event venue is diminishing.
4. There was little interest by the City in operating the event venue or providing additional funds beyond the current commitment.
5. The Hiram Morgan Hill house is valued as an important part of the history of Morgan Hill, but the historical site has not found its place in the area as an event venue destination. There is general agreement that the event venue does not have an identified "niche" market nor an overall place in Morgan Hill's array of event venues. There is no consensus as to the market the Historical Society is trying to attract to use the venue.

Document Review

Management Partners requested a variety of documents from the City and the Morgan Hill Historical Society. These include annual reports, site plans, financial information for the Morgan Hill Historical Society, memoranda of agreement for operations, site plan, and park funds, and strategic planning documents for the Morgan Hill Historical Society.

Case Study Research

As part of our analysis, Management Partners' team members identified two historical sites with event venue amenities in California to research. The results of this work are provided in Attachment B. The goal was to find historical venues in the San Francisco Bay Area with similar characteristics (location, number of properties/event spaces at the facility, organizational structure, revenues, or programmatic offerings).

We considered 11 historical homes or similar facilities currently available for event rentals. The initial list included a mix of publicly and privately-owned properties administered by both local governments and non-profit organizations. The two facilities selected as case studies are shown below in Table 2.

Table 2. Selected Facilities for Case Study Research

Facility Name	Organization	City	Ownership	Year	Spaces on Site
Villa Mira Monte	Morgan Hill Historical Society	Morgan Hill	City	1886	N/A
Shadelands Ranch Museum	Walnut Creek Historical Society	Walnut Creek	City	1903	1
Hakone Estate and Gardens	Hakone Foundation	Saratoga	City	1915	3

Source: Shadelands Ranch Museum website (Walnut Creek Historical Society), Hakone Estate and Gardens website.

While the two properties selected for the case studies are comparable to Villa Mira Monte in that they are historical sites owned by municipalities and operated by a third-party non-profit organization, the operations of the case study facilities are different than that of Villa Mira Monte. Unlike Villa Mira Monte, each of the facilities have dedicated staff responsible for the operations and maintenance of the associated facility and have regular office hours for the public to contact the venue.

Villa Mira Monte also differs from the two case studies in that the Morgan Hill Historical Society's primary mission as a non-profit was not intended to own and operate Villa Mira Monte. The case study non-profits are focused on their respective event venues.

Although each site has historical buildings, the emphasis of the event venues is on the use of outdoor spaces. Individuals we talked with at both sites indicated that the event business is moving away from buildings since permanent walls and structures limit how a space can be used. People planning weddings, ceremonies, and other special uses are looking for places that have spaces that can be customized for unique, special, and one-of-a-kind events. As such, a successful venue needs plenty of open space with appropriate support facilities.

The two case study sites, though operated by non-profit organizations, have long-term, ongoing relationships with the cities that own the properties. The City of Saratoga has installed directional signs in the community at City expense and uses the facility for city functions to provide exposure of the site to a wider audience that may use it in the future. The City of Walnut Creek provides routine, ongoing maintenance of the landscape and facilities from the City's operational funds and has incorporated the rules and regulations for use of the site in their general City rules and regulations. Both venues partner with their respective cities on capital repairs and improvements through their respective capital improvement programs.

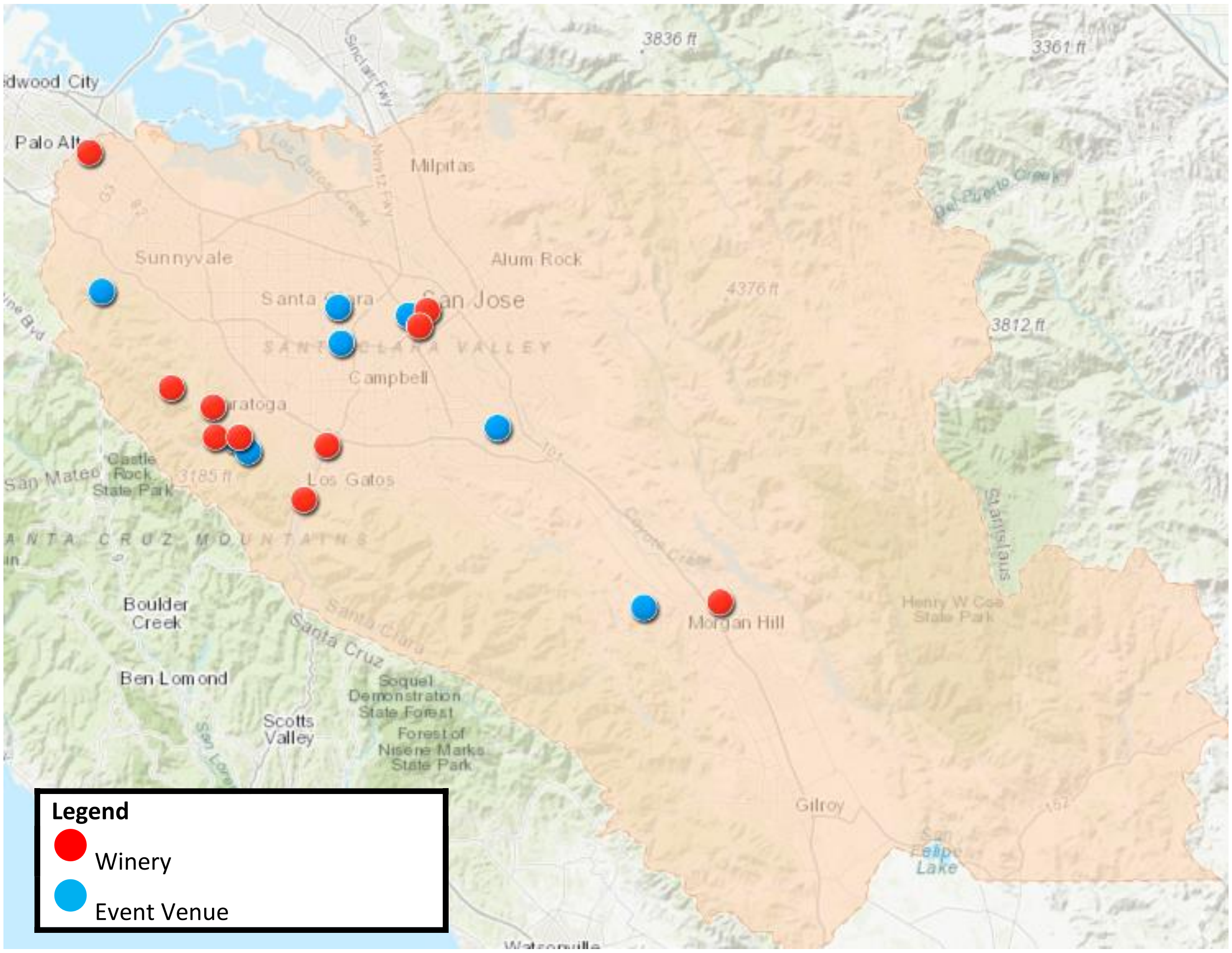
Other Event Center Venues in Santa Clara County

While not engaged to conduct a marketing analysis of potential rental at an expanded facility, the following high-level scan of facilities now providing event venues in Santa Clara County may provide some insight into the current environment. An illustrative list of event venues with like functionality to Villa Mira Monte (historic event space and wineries with event rental space) is shown in Table 3. While some of these facilities may not be directly comparable to Villa Mira Monte in size or facility type, it demonstrates a snapshot of the existing market for this type of use throughout Santa Clara County. A map showing the locations of each can be seen in Figure 2.

Table 3.List of Santa Clara County Historic Event Venues and Wineries with Event Space

Facility Name	Address	Facility Type
Hidden Villa	26870 Mood Road, Los Altos	Event Venue
Picchetti Winery	13100 Montebello Road, Cupertino	Winery
Cooper-Garrod Estate Vineyard	22645 Garrod Road, Saratoga	Winery
Mountain Winery	14831 Pierce Road, Saratoga	Winery
Cinnabar Winery Tasting Room	14612 Big Basin Way, Saratoga	Winery
Hakone Estate and Gardens	21000 Big Basin Way, Saratoga	Event Venue
Montalvo Arts Center	15400 Montalvo Road, Saratoga	Event Venue
Pietra Santa Winery	La Cienega Court, Los Gatos	Winery
Testarossa Winery	300 College Avenue, Los Gatos	Winery
Willow Heights Mansion	1978 Willow Springs Road, Morgan Hill	Event Venue
Guglielmo Winery	1480 E Main Avenue, Morgan Hill	Winery
Dolce Hayes Mansion	200 Edenvale Avenue, San Jose	Event Venue
San Jose Woman's Club	75 S 11th Street, San Jose	Event Venue
Forager Tasting Room and Eatery	420 S 1st Street, San Jose	Event Venue
Harris Lass House Museum	1889 Market Street, Santa Clara	Event Venue
Peralta Adobe-Fallon House	175 W St. John Street, San Jose	Event Venue
Winchester Mystery House	525 S Winchester Boulevard, San Jose	Event Venue
The Wine Room	520 Ramona Street, Palo Alto	Winery

Figure 2. Santa Clara County Historic Event Venues and Wineries with Event Space



Villa Mira Monte Event Venue – Current Operations

This following section provides an overview of the current operational structure of the Villa Mira historical site and its current operation.

Financial Information

A summary of the financial information relating to the Morgan Hill Historical Society, including the operation of Villa Mira Monte, is provided in Table 4. Information was obtained from the Historical Society who readily admitted that the information may not be quite complete. Operating revenue is generated through memberships and contributions and rentals and events. Historically there has been a fairly even split between memberships and contributions and rentals and events, with slightly more income from Historical Society memberships and contributions.

Table 4. Summary of Morgan Hill Historical Society/Villa Mira Monte Revenues and Expenses

Revenue or Expense Category	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 YTD
Operating Revenues						
Memberships and Contributions	$33,141 (47%)	$43,916 (53%)	$39,982 (47%)	$46,910 (58%)	$33,425 (51%)	$26,229 (62%)
Rentals and Events	$31,524 (45%)	$34,511 (41%)	$39,940 (47%)	$33,681 (42%)	$30,631 (47%)	$15,794 (37%)
Other Recurring Revenues	$5,704 (8%)	$4,893 (6%)	$5,361 (6%)	$111 (0%)	$873 (1%)	$475 (1%)
Total Operating Revenues	**$70,369**	**$83,320**	**$85,283**	**$80,702**	**$64,929**	**$42,498**
One-Time Revenues						
Grants	$0	$0	$0	$0	$246,960	$0
City Contribution	$0	$0	$0	$20,000	$20,000	$0
Total One-Time Revenues	$0	$0	$0	$20,000	$266,960	$0
Total Revenues	**$70,369**	**$83,320**	**$85,283**	**$100,702**	**$331,889**	**$42,498**
Historical Society Operating Expenses						
Services and Supplies	$2,817	$3,567	$724	$2,454	$4,765	$3,508

Revenue or Expense Category	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 YTD
Operations and Maintenance	$6,291	$5,672	$9,434	$13,354	$14,727	$2,192
Fees and Insurance	$1,696	$897	$1,365	$4,334	$4,269	$2,094
Advertising and Communications	$1,942	$4,020	$3,268	$5,256	$9,332	$2,467
Total Historical Society Operating Expenses	**$12,746**	**$14,156**	**$14,791**	**$25,398**	**$33,093**	**$10,261**
Villa Mira Monte Operating Expenses						
Maintenance	$4,727	$3,568	$3,213	$29,615	$7,547	$7,261
Services and Supplies	$11,422	$16,574	$15,258	$18,801	$21,348	$9,333
Tax and Insurance	$6,515	$6,659	$7,109	$3,913	$4,457	$2,530
Utilities	$5,956	$6,194	$6,058	$7,688	$7,207	$5,039
Total Villa Mira Monte Operating Expenses	**$28,620**	**$32,995**	**$31,638**	**$60,017**	**$40,559**	**$24,163**
Total Operating Expenses	***$41,366***	***$47,151***	***$46,429***	***$85,415***	***$73,652***	***$34,424***
Villa Mira Monte One-Time (CIP) Expenses[1]						
New Fencing	$0	$0	$0	$0	$58,500	$0
Security Cameras	$0	$0	$0	$0	$35,826	$0
Carpentry and Woodwork Restoration	$0	$0	$0	$0	$85,000	$0
Stained Glass Restoration	$0	$0	$0	$0	$40,500	$0
New Roof	$0	$0	$0	$0	$90,000	$0
Other	$0	$0	$0	$0	$2,209	$0
Total CIP Expenses	***$0***	***$0***	***$0***	***$0***	***$312,035***	***$0***
Operating Income	**$29,003**	**$36,169**	**$38,854**	**($4,713)**	**($8,723)**	**$8,074**
Total Villa Mira Monte Expenses[2]	***$41,366***	***$47,151***	***$46,429***	***$85,415***	***$385,687***	***$34,424***

Source: Documents provided by Morgan Hill Historical Society.
[1]Capital improvements paid through grant revenue by the Historical Society.
[2]Does not include Historical Society operating expenses such as volunteer staff required when the facility is rented.

Villa Mira Monte maintenance expenses increased from $3,213 to $29,615 from 2016 to 2017. A grant obtained by the Society from the City of Morgan Hill for capital projects allowed the Historical Society to make maintenance improvements during this period. From the information submitted by the Society, we have been unable to document what improvements were made using other grant funds. Operating expenses (as well as the capital expenses) also increased due to the cost of grant administration.

In 2017, the City provided some funding to support the site, including $20,000 in general funds for maintenance of the site (in 2017 and 2018), $64,000 in park improvement funds to install a security camera system and wrought iron fencing to secure the site, and $142,000 in park maintenance funds to paint the house and museum, and miscellaneous projects. From 2017 through 2018, the City contributed approximately $246,000.

The Historical Society's operating revenues and expenses excluding the Villa Mira Monte operation are shown in Table 5. If the Historical Society were to eliminate the rental and event income, there may still be sufficient revenues to support its organizational operations based on historical data strictly as a Historical Society, but not major maintenance. The Historical Society currently uses space in the Morgan Hill House and upstairs for storage/small group meetings. If the House is closed, the Historical Society would have to work with the City to determine if this can continue. If not, they would have to make up use of that space somewhere else, probably off site. Lack of use of this space could impact on the Historical Society, their operations and potentially fundraising opportunities.

Table 5. Summary of Morgan Hill Historical Society Revenues and Expenses

Revenue or Expense Category	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 YTD
Operating Revenues						
Memberships and Contributions	$33,141	$43,916	$39,982	$46,910	$33,425	$26,229
Historical Society Operating Expenses						
Services and Supplies	$2,817	$3,567	$724	$2,454	$4,765	$3,508
Operations and Maintenance	$6,291	$5,672	$9,434	$13,354	$14,727	$2,192
Fees and Insurance	$1,696	$897	$1,365	$4,334	$4,269	$2,094
Advertising and Communications	$1,942	$4,020	$3,268	$5,256	$9,332	$2,467
Total Historical Society Operating Expenses	**$12,746**	**$14,156**	**$14,791**	**$25,398**	**$33,093**	**$10,261**
Historical Society Operating Income	$20,395	$29,760	$25,191	$21,512	$332	$15,968

Source: Documents provided by Morgan Hill Historical Society.

While the proposed phase one improvements would enhance the overall parking and landscaping for the site, the improvements will not necessarily increase events, activities, or revenue. In fact, additional landscaping, parking, and required storm water facilities will increase the yearly cost of maintenance without any specific return on investment.

While our research and analysis indicates that event venues rely more on outside space that is flexible and can meet varying needs, we believe any improvements to landscaping and parking at Villa Mira Monte should be undertaken only after a specific plan for the site has been completed that has identified the type of uses and events that are likely to occur at the site. These improvements would go hand-in-hand with the planning of future auxiliary improvements such as an outdoor pavilion space, restrooms, storage and meeting facilities, and other identified improvements.

Finally, future phases include adding a kitchen at the site due to the limited kitchen facilities available at the Hiram Morgan Hill House. We have found that successful venues that cater to smaller events (less than 200) are moving away from full kitchen facilities on site as a result of the increased regulations governing kitchen facilities and the lack of a financial return on investment. Additional phases should be cautious in the design of a kitchen facility to make sure that any type of kitchen is manageable and affordable from a capital and ongoing maintenance cost perspective.

Current Management and Operations

As mentioned previously, the Villa Mira Monte Historical site is operated as a museum and event venue entirely with Historical Society volunteer staff. The lack of full- or part-time staff severely limits operational effectiveness and rental opportunities necessary for a successful event venue. The site does not maintain regular office hours to answer inquiries, return calls, provide feedback, or market the facility to prospective renters and organizations. Volunteers are responsible for taking reservations, providing information about the event venue, being on site when events take place, clean-up following events, and general administration and financial management.

Marketing of the event venue by the Historical Society is limited with respect to today's technology primarily as a result of the volunteer-based management of the site. The Historical Society has not developed or implemented a specific marketing program for the site, nor does it use social media typical of a successful event center. The City does provide general marketing assistance. However, since the site's rental market has not been clearly defined any increased efforts in this area may not be of benefit.

Event reservations at the Villa Mira Monte Historical site focus on the Hiram Morgan Hill House, which limits the types of uses that may be accommodated in a historical structure. Additionally, the configuration and layout of the historical Morgan Hill House limits events to smaller uses. The main entrance and two adjacent side rooms are rectangular in shape and force large groups to use separate rooms. Where a traditional community center rental space has sliders that can open and close as the event/size changes, the Hiram Morgan Hill House has fixed walls and fixed spaces that limit flexibility.

Concentrating on the Hiram Morgan Hill House for events is contrary to the trend in events where flexible and multi-use outside spaces are becoming more popular. Sites are also expected to be full-service destinations. These factors all point to moving away from historical structures as event sites. The proposed expansion of the site would add additional outdoor opportunities away from the house, but the site has severe limitations and it is not clear whether there is enough of an expansion area to really add value to the site as an event venue.

Historical Society training with respect to booking/rentals, event security and set up/clean-up of events is limited and constrained simply by the fact that it relies on volunteers and has different standards of training that are used in other City facilities. Finally, the fee schedule for rentals has not been updated on a regular basis and is insufficient to recover the costs to adequately operate an event venue.

The rates for Villa Mira Monte event rentals appear to be low compared with typical destination-type rates. Although comparison with other city facilities is not an apples to apples comparison because city facilities offer a higher level of service/amenities, the rate for the Morgan Hill Community and Cultural Center is more than 60% greater than the Villa Mira Monte rate. This large difference in rates would make it difficult for the City to operate the Villa Mira Monte site. A summary of the rates charged by meeting type is provided in Table 6.

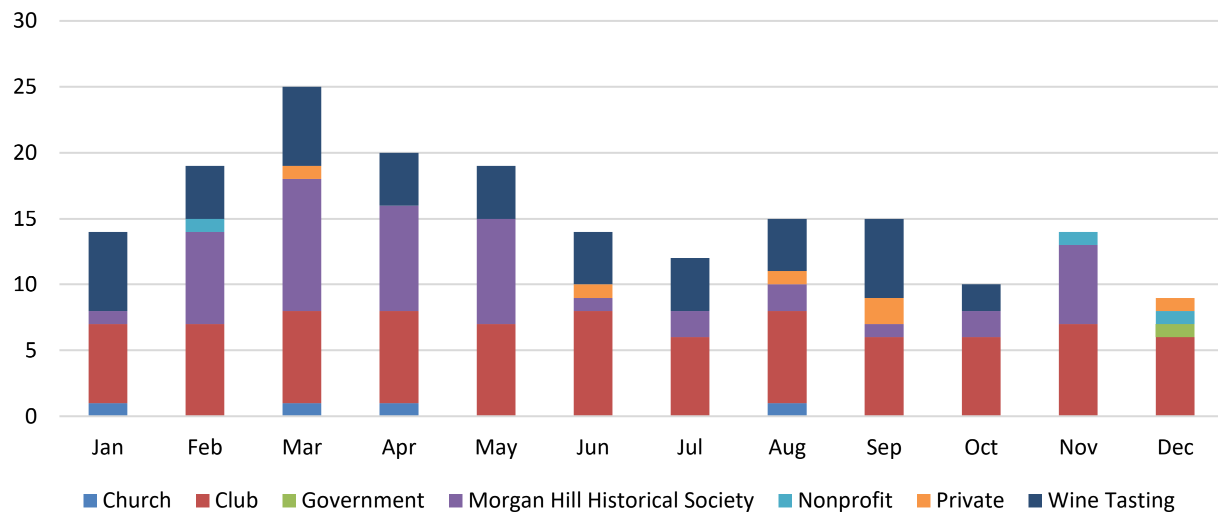
Table 6. Villa Mira Monte Event Rates by Organization Type

Meeting Type	Rate	Number (Percentage) of Total Events in 2018
Non-Profit Organizations	$30/hour	8 (4%)
Clubs	$60/hour	80 (44%)
Private Events	$150/hour	5 (3%)
Wine Tasting	15% of sales	42 (23%)
Morgan Hill Historical Society Events	No charge	48 (26%)
	TOTAL	**183**

Source: Documents provided by Morgan Hill Historical Society.

A summary of the number of events by type of organization is provided in Figure 3. Rentals are generated mostly through club, church, or historical society use.

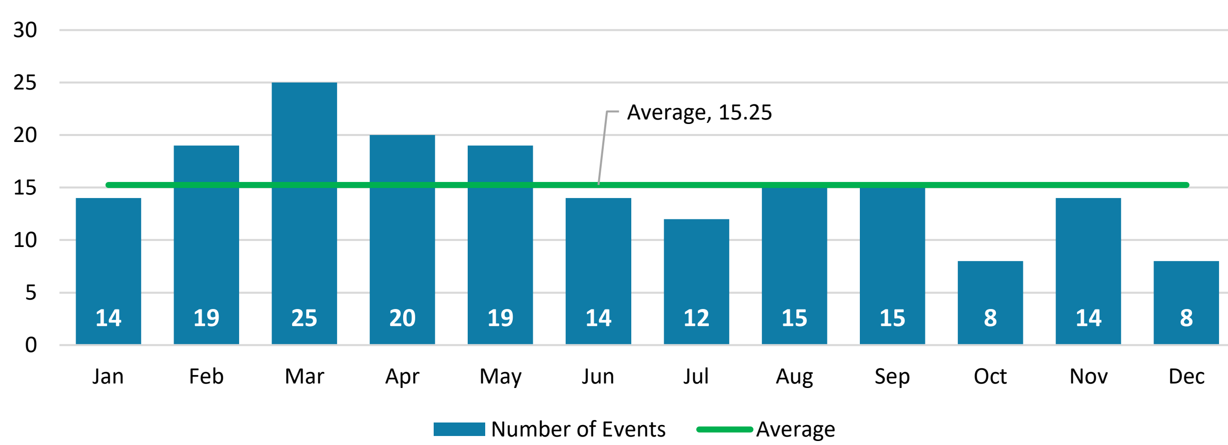
Figure 3. Number of Events Per Month in 2018 by Organization Type



Source: Documents provided by Morgan Hill Historical Society.

Villa Mira Monte had a total of 183 events in 2018 and Figure 4 shows a summary by month. On average, it has 15 rentals per month, with a spike in activity in the spring (February through May). This trend is consistent with the other event venues analyzed.

Figure 4. Number of Events at Villa Mira Monte in 2018



Source: Documents provided by Morgan Hill Historical Society.

Observations

Our general observations regarding the major issues we believe will impact the Villa Mira Monte Center as a destination event venue are detailed below.

- Although operation of the Villa Mira Monte Historical site is related to the Historical Society's function (it is historical and the museum is located there), the Society does not consider operating an event venue fundamental to their main mission and would prefer to relinquish operation of those responsibilities to the City. As mentioned previously, the mission of the Morgan Hill Historical Society is to "*preserve and share the history of Morgan Hill, and its environs, to inspire a sense of community*." This mission is stretching the Historical Society to also operate an event venue.

- The Society is having difficulty keeping and attracting new general members and relies exclusively on volunteers for its activities. Many prospective members are interested in being involved with the history of Morgan Hill; however, also asking them to volunteer at events is problematic. As a result, the Historical Society is challenged to attract new members to provide management and oversight of events at the Center. Should the Historical Society decide to only concentrate on historical activities and not event venues, it may make it easier for them to attract and maintain members and focus on fundraising.

- The Historical Society lacks the financial resources necessary to make needed infrastructure repair, general improvements, and ongoing/regular maintenance. The Society is not able to recover the costs of staff and/or facility attendants at their events through their fee structure and the funds they are raising realistically are only able to support basic historical society functions rather than maintenance and operations. Realistically, the money raised through events is only able to offset some Historical Society costs and not the long-term operation and maintenance of the event venue or Morgan Hill house.

- Though several types of events occur at the site, many are used for Historical Society fundraising purposes. Although some private rentals occur, there is an effectively a mission conflict when the property is required to both fundraise for the Society and be available for private rentals. This is also a result of the inability to clearly define the market for the event venue. As long as the emphasis for use of the event space is to raise money for the Historical Society, paid rentals that would go toward maintenance and operation of the event venue will be limited and secondary.

- The viability of the Center as a historic site, much less an event venue, is greatly at risk based on the current the operational parameters. Additionally, although the City has previously provided some funds for capital improvements or major maintenance issues as they occur, the Historical Society is currently not administratively or operationally able to handle the long-term funding of maintenance, operation and upkeep of the historical property.

- Retaining operation and maintenance with the Historical Society or a third-party operator is the most cost-effective path. A City operated and maintained facility would most certainly increase maintenance and operational costs significantly simply because it is the public sector rather than a group of volunteers or the private sector. City staff have indicated there are neither staff nor financial resources beyond those currently budgeted to be able to operate the event venue if the Historical Society ceases to do so. As a result, if the Historical Society ceases all operations in support of the event venue, it is possible the City may have to close the site.

- The Historical Society has not contacted other event venues in the area to work toward a more regional and supportive network of rentable venues, nor have they looked at similar venues to model their operation for best practices and financial sustainability. However, the Society may not be administratively or functionally structured to be able to do so.

Should the Morgan Hill Historical Society stay in the lead in the near term as the administrative and operational entity for the Center, our recommendations regarding next steps are provided below. We believe the Historical Society is not likely to be able to operate a financially sustainable event venue or develop an event venue strategy on its own.

Recommendation 1. Develop and implement a one-year pilot program during which the City provides assistance to the Historical Society with rentals, operations, volunteer training, and marketing of the site with existing City staff.

This will provide a baseline of data for what is possible with respect to the current site as a destination venue and sustainable historical site.

Recommendation 2. Review and update the rental fee structure for the event venue to ensure costs are appropriately recovered and offset expenses in support of the venue.

Recommendation 3. In partnership with the Historical Society and the community, develop a new strategic and business plan for the entire site to consider the opportunities and constraints for the future of the site as the home of the Morgan Hill Historical Society and a viable rental event venue, or alternatively just as a historic site. The strategic plan should assess whether the 2016-17 Master Plan would realistically result in a robust event venue, alternative site objectives and incorporate best practices from other historical destination venues to create the appropriate marketing and operational plan for the site (mission specific) as well as a realistic financial plan for doing so.

Alternative Operational Options

Based on our interviews, analysis, case studies, Management Partners has developed alternative operational options for consideration by City leaders. In developing these options, we have made the following assumptions, which underly any future courses of action.

1. The City does not have the financial capacity to assume operational management of the event venue. However, it has allocated capital improvement funds to enhance the overall layout of the Villa Mira Monte Historical Site.
2. The Historical Society is not presently positioned to improve or enhance the operation of the event venue by themselves and their ability to operate the site is starting to decline.
3. Regardless of any significant capital investment to expand and improve the site, major and ongoing maintenance needs of the existing buildings and site are currently not able to be addressed.
4. Should the proposed capital improvements move forward, the community and Historical Society may find it acceptable for the historic house to be rented on a minimal basis and for the major focus of the venue as a destination to shift to outside using the grounds.
5. To be a more robust event destination will require a financial investment as well as an administrative and operational change in the function of the non-profit currently responsible for the site.

The following are possible operational options for review and consideration by City leaders.

Option 1: Sustain the Site as a Historic Destination, not an Event Venue

This option proposes that the historical site master plan be revisited with a different emphasis and objective: to enhance and support the current facilities as an important historical site in the community. Doing so would allow the Historical Society to focus their efforts on their main mission, preserving and enhancing the City's history, and not on expanding its operation to support an event venue which is likely not to be robust or competitive with others in the community or southern Santa Clara County.

Small rentals in the Hiram Morgan Hill House could continue and ancillary seasonal and local community events could be expanded onto the grounds. This may require some capital investment by the City in some major maintenance projects and perhaps some improvements to the current parking area. The recommended strategic plan and a new site plan would address the priorities required to accomplish these objectives. The Historical Society could then focus on fundraising for the site and its primary mission.

Option 2: Historical Society Maintains the Historic Site and Event Venue

Following development of a strategic plan, the Historical Society could continue to be the responsible entity for operating the event venue. To be successful, however, will require a change in the administrative structure and focus of the Historical Society as a non-profit organization. It will also require hiring part-time paid staff for oversight and management, and an effective marketing plan.

Additionally, an updated agreement between the Historical Society and the City should be completed that identifies the roles and responsibilities for ongoing maintenance, needed improvements and upgrades, and future capital projects.

An estimate of the revenues and expenses required, at least initially, to support a paid staff person and an attendant at private events is provided below. Data from the Historical Society was insufficient to accurately estimate the impact of a revised rate structure on rentals. (Data regarding what percent of the revenue by organization type were unavailable.) Therefore, our assumptions about revenues and expenditures for purposes of this analysis were:

- Hiring of an office manager for oversight and management of the historical site – 20 hours per week at $20/per hour.
- Use of paid part-time staff as attendants at private events – the cost would be additional for renters of the facility when the events (usually private events) require on-site staff.
- The City will:
    - Assume all outside grounds maintenance, and
    - Provide an additional annual allocation of $5,000 to $10,000 for one year to offset needed paid staff, pending development of a strategic plan.

Based on our analysis of the rental data as well as a review of the City's rental fee structure for its recreational center facilities, we also recommend that the Historical Society change its rental fee structure. However, we are unable to estimate the impact on the number of annual rentals if this is done (they may drop), so the feasibility is not known. Additionally, it is not clear from a market standpoint whether paid staff would result in much added value. Nonetheless, the fee structure as it currently stands cannot support paid staff.

Based on the Bay Area labor market, to support a half-time office manager at $30 per hour, the rental income needs to increase by the same amount to offset the additional cost. The estimated annual cost of an office manager is $31,200, which would require the annual rental revenue to increase by 49% (based on 2018 revenue data) for an average revenue per event of $337.87.

Without conducting a comprehensive market analysis, the facility may be able to support this increase. However, to help offset the costs of an office manager, the City would have to take on the maintenance costs, (estimated at $7,547 based on Historical Society data from 2018), bringing the added cost down to $13,253. The City could provide an additional $5,000 of funding to support ongoing operations, which would bring the total additional revenue needed down to $8,253, representing a 27% increase in rental revenue required. A summary of the existing rental revenue compared to the projected rental revenue with increased rates is provided in Table 7.

Table 7. Existing Rental Revenue from 2018 and Projected Rental Revenue Information

Existing Rental Information (2018)		Projected Rental Information	
Rental Rates (per hour, unless noted)		**Rental Rates (per hour, unless noted)**	
Non-Profits	$30	**Non-Profits**	$75
Clubs	$60	**Private Events (includes Clubs and Wine Tasting events)**	$150
Private Events	$150		
Wine Tasting	15% of sales		
Events by Type		**Events by Type (assumes same distribution as 2018)**	
Non-Profits	8 (6%)	**Non-Profits**	8 (6%)
Clubs	80 (59%)	**Private Events (includes Clubs and Wine Tasting events)**	127 (92%)
Private Events	5 (4%)		
Wine Tasting	42 (31%)		
TOTAL	**135[1]**	**TOTAL**	**135**
Rental Revenue (2018)		**Projected Rental Revenue to cover entire cost of office manager**	
Rental Revenue	$30,631	**Rental Revenue**	$49,284
Average Revenue per Event	$226.90	**Average Revenue Per Event[3]**	$337.87 (+49%)

Source: Documents provided by Morgan Hill Historical Society.
[1]Does not include Historical Society rentals.

[2]Represents the 2018 rental revenue plus the added cost of an office manager ($31,200 per year), less maintenance costs to be covered by the City ($7,547), less an additional City contribution ($5,000).
[3]Assumes same level of events and event distribution by type.

To arrive at the necessary average revenue per event of $380.97 to offset the cost of an office manager, we propose raising the non-profit and club rates by 250%. Based on the event site as it is currently configured and operated, this may result in a decrease in the current rentals or the elimination of rentals completely.

Option 3: Alternative Options

While Management Partners believes Options 1 and 2 are the most viable paths for consideration, the following are three alternatives to Options 1 and 2.

A: Historical Society Maintains Event Venue Operation with Assistance from the City

Conducting a strategic plan for the site would be beneficial to bring together stakeholders that have a vested interest in the site, including the Morgan Hill Historical Society, City staff, elected officials, and community members. Engaging various viewpoints can help identify the opportunities and challenges that exist at Villa Mira Monte. Once there is a shared understanding of the barriers and an acknowledgement of stakeholder interests, the development of a strategic plan can specify the purpose and long-term vision for the use of the site and various facilities.

With this option, the Historical Society would continue to be the operational entity responsible for the venue, but the City would provide assistance in the areas of marketing, rentals/bookings, use of part-time staff for attendees, and other duties as determined though the strategic plan process.

The 2017 partnership agreement between the Historical Society and the City identified the historical site as a park facility. The City is responsible for park maintenance at all park sites in the City other than the Villa Mira Monte site as a result of this agreement. Although the City does provide annual funding to the Historical Society for maintenance, regular landscaping and facility maintenance could be considered to be a City function as it is at other park facilities, which would allow the Historical Society to manage and operate events.

B: Cease Operation as an Event Venue

Should the Historical Society choose to cease responsibility for operating the Hiram Morgan Hill House and grounds as an event venue (only operating the Morgan Hill Museum), the City may be required to take back the responsibility for the house and site or cease operation as an event center and allow the Historical Society to operate the front house. Without specific staff and/or financial resources, the house would no longer be usable as an event site and would likely be preserved as a historic house without public use.

The grounds would continue to support the use of the Morgan Hill Museum but would not be available for rentals outside of an agreement between the Historical Society and the City. Long-term maintenance and repairs/renovation would still be the responsibility of the City; however, it would be expected that there would be little if any public access to the site aside from the museum.

C: Hire a Third Party to Operate the Event Venue

Either through a request for proposals process or as part of the strategic plan process, the City and Historical Society could consider contracting with a third-party operator for events. This would require outlining the duties and responsibilities of the City and Historical Society in support of the third-party operator, so all parties work together for the benefit of the property.

Based on interviews with staff and a local developer/business owner, it appears there would be merit in looking for a third-party operator. As many events look for use of additional facilities (place for the ceremony, place for photos, place for reception, overnight accommodations), a partnership for partial or total operation is conceivable. Any consideration of this option should be carefully negotiated with those involved from both the City and the Historical Society as bringing in a third-party operator to run the event side could conflict with the Historical Society continuing operation of the historical elements and functions. While this option is worthy of consideration, it is possible that no real interest from a third-party operator may emerge.

Recommended Option

In the near term, prior to any further capital investment and until a viable strategic and business plan is developed for the Historical Society, Management Partners believes that Alternative 1 represents the most sustainable option over the long term.

> **Recommendation 4. Implement Option 1 through a new partnership agreement between the City and the Historical Society.** Any other solutions will likely not be viable over the long term for either the Historical Society or the City.

Conclusion

An investment of $1.8 million in the Villa Mira Monte for landscaping and parking improvements may be an attractive step to improve the site's viability as an event venue. However, Management Partners does not believe this capital improvement will necessarily result in a robust or sustainable event center venue. Rather, we believe a strategic and business plan for the site should be developed first to determine its viability and sustainability and place in the community. Such a plan must also address the operational entity responsible for the historical site and a realignment of the partnership between the City and Historical Society (or successor entity) regarding roles and responsibilities.

Attachment A – List of Recommendations

Recommendation 1. Develop and implement a one-year pilot program during which the City provides assistance to the Historical Society with rentals, operations, volunteer training, and marketing of the site with existing City staff.

Recommendation 2. Review and update the rental fee structure for the event venue to ensure costs are appropriately recovered and offset expenses in support of the venue.

Recommendation 3. In partnership with the Historical Society and the community, develop a new strategic and business plan for the entire site to consider the opportunities and constraints for the future of the site as the home of the Morgan Hill Historical Society and a viable rental event venue or alternatively just as a historic site.

Recommendation 4. Implement Option 1 through a new partnership agreement between the City and the Historical Society.

Attachment B – Event Venue Case Study Results

The City of Morgan Hill engaged Management Partners to evaluate the Villa Mira Monte historical site with respect to current operational challenges and what may be required as the City considers investing further capital improvements in the historic site in an effort to make it a viable event destination. As part of our analysis, we conducted a case study of two event venues to provide information about operational and administrative structures for successful event destination facilities. This document summarizes the results of this research.

The Morgan Hill Historical Society is responsible for the operation of the Hiram Morgan House and associated Museum on the historic site. The Morgan Hill Historical Society and the City of Morgan Hill are currently evaluating improvements to the site to increase utilization as an event venue. The proposed event facility improvements would include a pavilion, permanent restroom facilities, a kitchen, as well as enhanced landscaping and additional parking. The objective is to construct these improvements to increase utilization of and associated revenues from the historical site. Phase one improvements (create parking and finalize landscaping at the site) is currently funded by the City in their FY 2020-21 Capital Improvement Program for $1,800,000.

Management Partners identified comparative historical sites in California and worked with City staff to finalize the following two sites for evaluation.

- **Hakone Estate and Gardens** is one of the oldest Japanese estates, retreat and gardens in the Western Hemisphere, located in Saratoga. The 18-acre site is operated by the Hakone Foundation, a non-profit organization.
- **Shadelands Ranch Museum** is a 1903 Colonial Revival structure that houses historical artifacts and materials detailing Contra Costa and Walnut Creek history. The museum is owned by the City of Walnut Creek but is operated by the Walnut Creek Historical Society supported through fundraising and by volunteers.

Management Partners collected information from the agencies or organizations responsible for each of the facilities. The facilities were chosen because they represent two organizational options available to Morgan Hill in evaluating the feasibility of the historical site. Information was collected through phone interviews and on-line searches for publicly available information. Table 8 provides an overview of the facilities selected.

Table 8. Overview of Historical Facilities

Facility Name	City	Facility Owned By	Facility Run By
Hakone Estate and Gardens	Saratoga	Hakone Foundation	Hakone Foundation
Shadelands Ranch Museum	Walnut Creek	City of Walnut Creek	Walnut Creek Historical Society

Major Themes

The following represents a summary of the major themes resulting from the case study.

- The trend is moving away from events being held indoors, to utilization of outside spaces including the use of tents when protection or climate control is needed. Weddings and similar events are becoming one-of-a-kind style events and need flexibility to be custom tailored. A permanent building with fixed walls can create barriers. Further, a historical building can add additional complications and restrictions.
- Full-service and commercial kitchen facilities are no longer advised as the requirements for operation and oversight of a full kitchen are not supported by the offsetting revenue.
- Ongoing communication between the venue and the renter is an important component of a successful rental. Having regular, paid staff available to deal with renters and potential renters is integral to the success of the event venues.
- Effective, ongoing communication and cooperation between the non-profit, City staff and the City Council regarding the venue is a key component of an event venue's ongoing operational success. Keeping track of and sharing information related to rentals, participation, and finances help keep individuals up to date about changes that occur over time.
- A well trained, strong and committed Board of Directors is required for the success of these event venues. Additionally, the Board needs to be flexible as events and circumstances change.
- The Board, the City and Council members should all agree on a shared vision for the site with clear roles and responsibilities for each.
- Knowing your niche market and being able to target users directly is vital to building connections with user groups.

Case Study: Hakone Estate and Gardens

Facility Overview

Hakone Estate and Gardens is an 18-acre Japanese garden located in Saratoga. The property is owned by the City of Saratoga and operated by an independent non-profit, the Hakone Foundation, that has a long-term lease of the property from the City. The property was originally purchased as a private residence in 1915 by the Stine family. Hakone is comprised of gardens, historical buildings, ponds, and other Japanese-inspired elements. A map of the property and its structures is shown in Figure 5.

Figure 5. Hakone Estate and Gardens Map

In addition to the various gardens, the property houses three historic structures, the Upper House (a.k.a. Moonviewing House), the Lower House (a.k.a. Zen Garden House), and the Cultural Exchange Center (CEC).

The Hakone Foundation rents both the Lower House and Cultural Exchange Center for business meetings and special occasions (weddings, etc.) for up to 180 guests when the Cultural Exchange Center is combined with the outdoor area designated as Madrone Mound. The facility's rental capacity and rates are shown in Table 9.

Table 9.Hakone Gardens and Estate Facility Rental Summary

Rental Facility Information	Lower House	Cultural Exchange Center	Madrone Mound
Capacity	40 people (dining) 60 for a standing reception	Up to 50 guests (max seated 60 inside, 40 viewing deck)	Up to 180 people
Daytime Rental Rates (11 am – 5pm)			
Three-hour event	$1,100	$2,600	N/A
Full day rental (eight hours)	$1,100	$2,600	N/A
Evening Event Rental Rates (6pm to 9pm)			
Saturday	$2,300	$3,200	$1,650 ($6,000 with CEC)
Fridays and Sundays	$2,000	$2,800	$2,000 ($5,000 with CEC)
Weekdays (Monday to Thursday)	$1,650	$3,500	$2,800 ($4,000 with CEC)

Note: For every additional hour, $500 is added to the rental rate; for every person over the maximum number in the rate sheet, a $25 per person charge is added to the rental rate. The total venue rental includes a refundable deposit of $600 for fewer than 50 people and/or $1,000 for more than 50 people.

Rental of the facility is full service, meaning that Hakone provides a list of preferred vendors (caterer, florist, etc.) paid through the rental fees. Utilization of outside vendors is permissible, but comes with an additional fee. Photography services are permitted by outside vendors. Alcohol is permitted, although a security fee is also required. The facility rental rates include the following:

- Pre-event meetings, walk-through, referrals and consultation with Events Manager or Coordinator;
- One-hour set-up and one-hour clean-up time in addition to the event time;
- Chairs and tables up to 180 guests;
- Preferred caterers/vendors list – facility permits use a non-preferred vendor for a fee of $5 per person;
- Free parking and access to the gardens for guests – the facility has 92 parking spaces available and can accommodate vans, limousines, or buses up to 30 feet; and
- Event staff onsite for event.

The facility operators purposely decided not to move forward with a formal or commercial kitchen as they are expensive to maintain (complying with health department regulations) and did not offer a good return on investment related to the operations cost. The City provides referrals for rentals and has placed directional signs around the community on behalf of the venue. The City also provides funding for major improvements and repairs through their capital improvement program as funds are available. Regular maintenance of the facility is provided by Hakone staff (2.5 gardeners and 1.5 facility maintenance personnel).

Hakone generates additional revenues through its admission fees, as outlined in Table 10. The venue works with value pricing to offer reduced rates during daytime hours and competitive pricing during high demand times. Admission tokens are valid for the day purchased between 10:00 am and 4:00 pm on weekdays or 11:00 am to 4:00 pm (facility operating hours extend to 5:00 pm from March to October). Saratoga residents are allowed free entry into the facility one day a week as a condition of the use agreement with the Foundation.

Table 10. Hakone Estate and Gardens Admission Fees

Admission Fee Type	Admission Cost
Adult (18 to 64)	$10
Seniors (65+)	$8
Students (5 to17)	$8
Children (4 and younger)	Free
Saratoga residents	$2 discount
First Tuesday of Month for Saratoga Residents	Free

Organization Overview

The property was privately owned until 1966, when the property owners offered it for sale to the City of Saratoga. In 1966, the City purchased Hakone Gardens to be utilized as a City park. The City's Parks Department maintained the property and it was available for free to the public. At the suggestion of two Council members, the first Hakone Foundation was organized by Saratoga residents to raise money to support ongoing maintenance and operations of the estate.

In 2000, the City of Saratoga determined there was a need to expand the Foundation to assume full responsibility for running Hakone. In 2000, the Foundation and the City signed a lease and drafted new Foundation bylaws. In 2005, the lease was renegotiated and resigned for 55 years.

Originally an all-volunteer organization, Hakone started adding full-time staff in 2015. The Hakone Foundation is a 501(c)(3) non-profit organization with an Executive Board of five members and a Board of Trustees with an additional six members, for a total of eleven board members. Hakone Estate and Gardens is staffed with seven full-time employees and four part-time seasonal staff:

- Executive Director
- Events Manager
- Events Coordinator
- Bookkeeper/Accountant
- Gift Shop, Membership, Volunteers and Community Education
- Gift Shop Staff (2)
- Head of Grounds Maintenance

- Head of Maintenance Facilities
- Assistant Gardener (2)
- Maintenance and Cleaning

The venue has regular office hours where part-time staff may answer the phone; but full-time event staff follow up and work with prospective renters. The Board has transitioned from general upkeep and oversight of a historic property to major fundraising and expansion of the site to an event venue. This has included accessing historic preservation funding through the County and the local County Supervisor.

The focus of events has been to utilize the outside facilities which has increased flexibility of use and allowed for the growth in use of tents when events need to have shelter. Many volunteers support Hakone as docents, providing tours of the gardens for visitors, as well as assisting in the gardens, gift shop, and office.

Funding Sources and Operating Budget

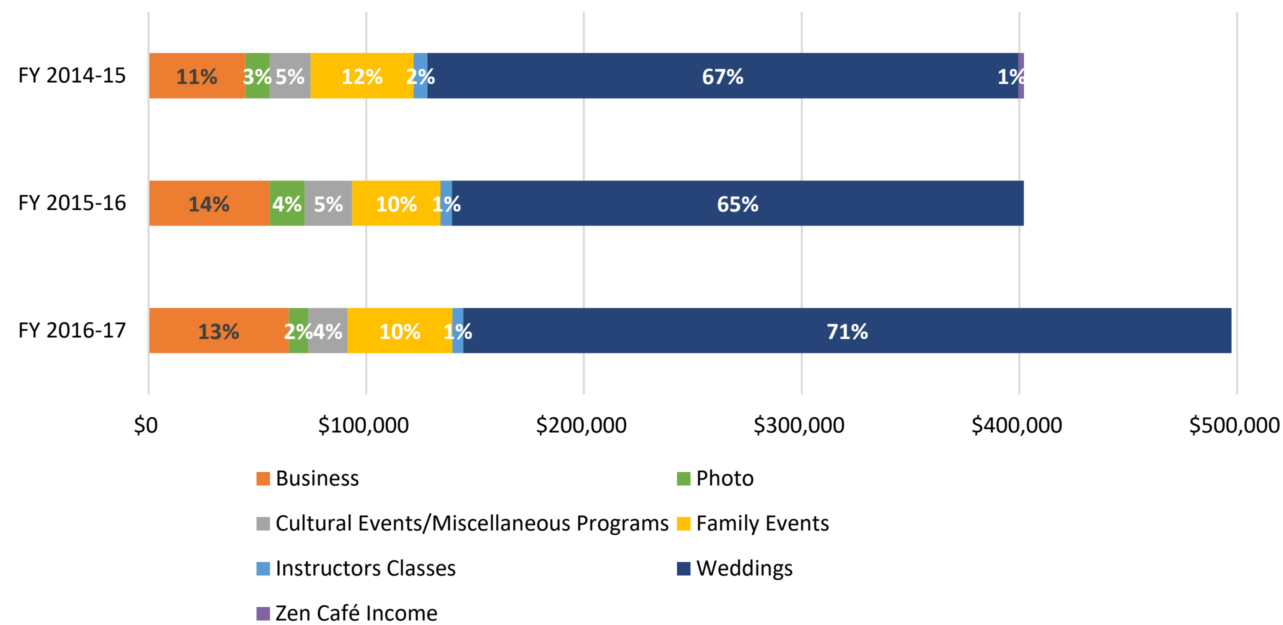
Hakone Foundation generates most of its operating income from rental income and entrance fees. The largest percentage of revenues comes from the operating income generated by the rental of the facility, between 46% and 54%. The two major sources of income, rental income and entrance fees, have been increasing over time. Table 11 shows the Hakone Foundation income by category for three fiscal years, FY 2014 through FY 2017.

Table 11. Hakone Foundation Operating Income for FY 2014-15 through FY 2016-17

Income Category	FY 2014-15	FY 2015-16	FY 2016-17
Entrance Fees	$190,310.44 (26%)	$224,739.58 (26%)	$233,609.00 (24%)
Fundraising Events	$30,418.33 (4%)	$80,640.67 (9%)	$62,602.92 (6%)
Donations	$31,788.77 (4%)	$76,472.80 (9%)	$73,439.14 (8%)
Gift Shop Income	$57,063.90 (8%)	$55,491.15 (6%)	$74,251.49 (8%)
Membership Programs	$27,069.51 (4%)	$32,630.50 (4%)	$34,503.00 (4%)
Rentals	$402,114.41 (54%)	$401,981.01 (46%)	$497,429.66 (51%)
Miscellaneous	$246.83 (0%)	$450.00 (0%)	$0.00(0%)
TOTAL OPERATING INCOME	**$739,012.19**	**$872,405.71**	**$975,835.21**

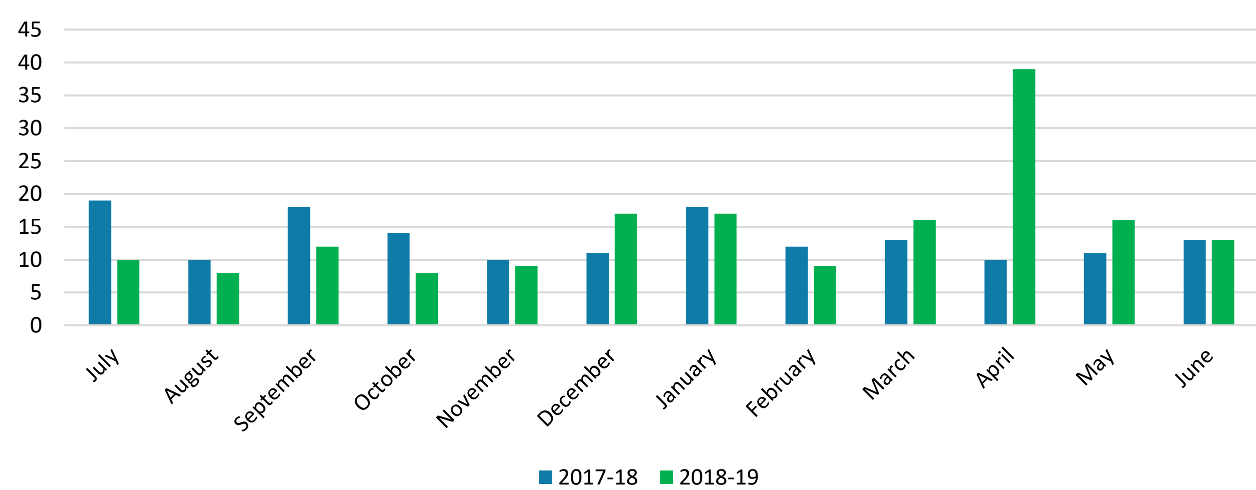
Wedding events generate the majority of rental income, as shown in Figure 6. The wedding events constituted between 65% and 71% of income during these three years.

Figure 6. Hakone Rental Income for FY 2014-15 through FY 2016-17



In FY 2017-18 and FY 2018-19 Hakone hosted 159 and 174 events, respectively. The most events in a single month was in April of 2018, with 39 events and the fewest was eight in both August and February of FY 2017-18. The distribution of events by month is shown in Figure 7.

Figure 7. Distribution of Events for FY 2017-18 and FY 2018-19



In 2017-18, Hakone hosted 15 fewer events than in 2018-19, but generated 30% more revenue. A summary of the rental event activity and revenue is shown in Table 12.

Table 12. Event Revenue Information for FY 2017-18 through FY 2018-19

FY 2017-18			FY 2018-19		
Number of Events	Event Revenue	Average Revenue per Event	Number of Events	Event Revenue	Average Revenue per Event
159	$508,364	$3,197	174	$391,975	$2,253

The Hakone Foundation's net income has increased over the last three fiscal years, as shown in Table 13. The negative income for FY 2014-15 is due, in part, to a $150,000 expenditure for a facility Master Plan.

Table 13. Hakone Foundation Income and Expenses for FY 2014-15 through FY 2016-17

	FY 2014-15	FY 2015-16	FY 2016-17
Total Income	$716,050.17	$846,067.09	$949,390.94
Total Expenses	($938,746.64)	($841,523.36)	($893,867.80)
Net Income	($222,696.47)	$4,543.73	$55,523.14

The greatest source of expense for Hakone Foundation is labor costs, which represent between 67% and 74% of all operating expenses. Table 14 shows the operating expenses by category for FY 2014-15 through FY 2016-17.

Table 14. Hakone Foundation Operating Expenses for FY 2014-15 through FY 2016-17

Operating Expenses	FY 2014-15	FY 2015-16	FY 2016-17
Labor	$519,548.34 (67%)	$555,088.94 (67%)	$651,011.81 (74%)
Administration	$17,606.88 (2%)	$14,509.93 (2%)	$8,143.08 (1%)
Fundraising	$19,526.26 (3%)	$45,598.36 (6%)	$44,102.58 (5%)
Rental Costs	$21,020.16 (3%)	$25,638.07 (3%)	$12,932.97 (1%)
General Operations	$83,757.18 (11%)	$86,796.14 (11%)	$83,394.82 (10%)
Garden Area	$12,037.76 (2%)	$10,931.90 (1%)	$25,014.50 (3%)
Facilities	$4,925.53 (1%)	$21,261.14 (3%)	$15,689.56 (2%)
Utilities	$31,850.20 (4%)	$33,319.90 (4%)	$34,726.91 (4%)
ED Retainer	$60,687.76 (8%)	$30,000.00 (4%)	$0.00 (0%)
TOTAL EXPENSES	**$770,960.07**	**$823,144.38**	**$875,016.23**

Event Venue Transition

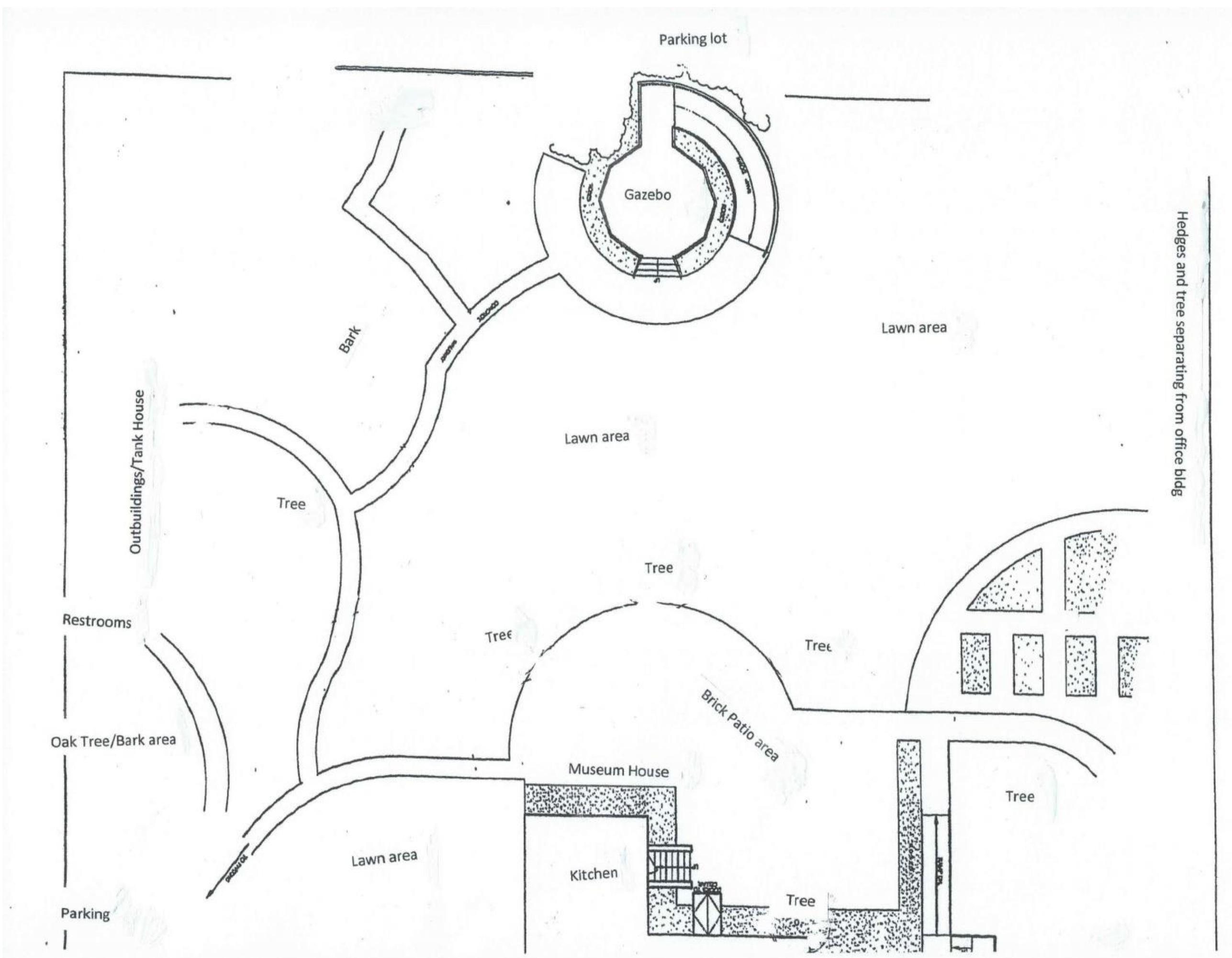
As with most historical sites, the Hakone Estate has been through a variety of phases and transitions. From the beginnings of a private property, to a City park, to present day, the site has adapted based on the needs to preserve the property. With the creation and expansion of the Hakone Foundation, the site has grown to include preservation of historical structures to a full-service venue for weddings and community events. With this growth and changing needs, the Foundation has increased their fundraising efforts and now is able to operate the site with seven full-time staff.

Case Study: Shadelands Ranch Museum

Facility Overview

Shadelands Ranch (Shadelands) is a 2.67-acre property located in the Ygnacio Valley area of Walnut Creek. Shadelands Ranch is owned by the City of Walnut Creek and operated by the Walnut Creek Historical Society. Completed in 1903, the property currently houses the Museum, the offices of the Walnut Creek Historical Society, and the Ranch grounds. The Museum and Historical Society are both located in the original Penniman family home on the property and are not available for event rental. The grounds, which include a lawn area, gazebo, patio, and use of the home's porch and kitchen, are available for rental and accommodate parties of up to 300 guests. A map of the property and its structures is shown in Figure 8.

Figure 8. Shadelands Ranch Museum Layout



The Walnut Creek Historical Society has one 30-hour a week employee who functions as the office manager and manages all events and reservations. The rest of the staff who support the office and/or events are volunteers and part-time/seasonal staff of the Historical Society. The City of Walnut Creek provides daily maintenance of the site and in partnership with the Historical Society, will help to fund major repairs/improvements when funds are available.

The property also hosts additional programming including tours, educational programs, special events, and seasonal leases such as a Christmas tree lot and a pumpkin patch to generate additional income. In addition to rentals, the Historical Society hosts a number of fundraising events during the year at the site.

The Walnut Creek Historical Society rents the Ranch Museum property for various events, including weddings, family reunions, corporate retreats, and others. The rentable space is primarily outside, therefore available for rentals only from April through October. The venue can accommodate between 250 and300 guests. The facility's rental capacity and rates are included in Table 15.

Table 15. Shadelands Ranch Rental Summary

Rental Facility Information	Shadelands Ranch
Capacity	250 to 300 people, seated
Rental Rate	$400 per hour

Aside from auxiliary use of the 12 x 12 kitchen area of the house and the porch for pre-wedding activities, all events happen outside and around the grounds. As there is no provision for inclement weather, events are only booked April through October. With only one 30-hour per week office manager, the Historical Society does not provide wedding planning services. Securing photographers, florists, planners, etc. are the responsibility of the renter. The facility rental rate includes the following restrictions and amenities:

- Three-hour minimum rental
- Event must conclude no later than 10 pm with clean up by 11 pm
- Rental time includes set-up, decorating, and take-down/clean-up[1] time
- Rehearsal time of up to 90 minutes included
- Use of up to 150 chairs and 30 tables; additional tables and chairs (up to maximum inventory) available
- Custodial fee of $200 for set-up/take-down for weddings over 150 guests

[1]Renters are supposed to set up and clean up themselves; however, staff indicated that working with renters to comply with the rules and regulations is the most difficult job of event management.

- Damage deposit of $500[2], fully refundable
- Kitchen use fee of $100 (optional and includes limited use)
- Reservation fee of $300 (minimum, non-refundable) to hold a date, applied to rental fees
- Requires certificate of insurance provided at least 30 days prior to the event (must carry minimum liability coverage of $1,000,000 and must name the Walnut Creek Historical Society and the City of Walnut Creek as additional insureds, at no cost to either WCHS or the City)
- Beer, wine and champagne are allowed (by City ordinance) but hard liquor is prohibited

Another revenue generating activity of Shadelands Ranch is the admission fees, as Table 16 shows. The Shadelands house and grounds are open to the public for docent-led tours each week on Wednesday and Sundays from 1:00 to 4:00 pm from February through October.

Table 16. Shadelands Ranch Admission Fees

Admission Fee Type	Admission Cost
Adult	$3
Students (ages 6 to 17)	$1
Children (ages 5 and younger)	Free
Members	Free

Organization Overview

The Walnut Creek Historical Society (WCHS) is a 501(c)(3) non-profit corporation that was originally founded by members of the Walnut Creek Women's Club. The WCHS works with the City of Walnut Creek and its community to "collect, preserve and interpret the history and heritage of the Walnut Creek area."

The WCHS is responsible for operation and maintenance of the Shadelands Ranch Museum, supporting local history programs in schools, sponsoring tours of downtown heritage sites, and maintaining a rotating exhibit at the downtown Walnut Creek Library. The WCHS is governed by a board of 13, supported by more than 40 volunteers who serve as museum docents, give guided downtown tours, and facilitate the WCHS programs in local schools.

Funding Sources and Operating Budget

The Walnut Creek Historical Society generates most of its revenue from programming, representing more than 90% of its revenue in 2016. From 2014 to 2016, the contributions and grants received dropped dramatically. Due to its relatively small number of staff (only one 30-

[3]The Society charges a $500 refundable damage deposit. As a result, many renters apparently leave the facility without cleaning it, expecting the Society deposit to perform this function. The deposit does not cover what is required to clean up after an event and staff intend to raise the fee in the future.

hour a week office manager), the salary and benefits expense is very low, representing less than a third of the total expenses. Table 17 shows the reported revenues and expenses of the Walnut Creek Historical Society based on their Form 990 reports.

*Table 17. Walnut Creek Historical Society Revenues and Expenses for 2014 to 2016**

Category	2014	2015	2016
Revenue			
Contributions and Grants	$195,577 (53%)	$38,979 (18%)	$6,757 (3%)
Program Revenue	$173,964 (47%)	$173,484 (81%)	$189,128 (96%)
Investment Income	$0 (0%)	$0 (0%)	$0 (0%)
Other Revenue	$1,975 (1%)	$524 (1%)	$1,648 (1%)
Total Revenue	**$371,516**	**$212,987**	**$197,533**
Expenses			
Grants Paid	$250 (0%)	$0 (0%)	$0 (0%)
Benefits to members (disability, unemployment, life insurance)	$0 (0%)	$0 (0%)	$0 (0%)
Salaries and Compensation (health benefits)	$47,501 (15%)	$45,594 (21%)	$68,973 (33%)
Professional Fundraising Fees	$0 (0%)	$0 (0%)	$0 (0%)
Other Expenses	$266,984 (85%)	$170,307 (79%)	$142,598 (67%)
Total Expenses	**$314,735**	**$215,901**	**$211,571**
Fundraising Expenses	$82,343	$83,190	$0
Revenue Less Expense	$56,781	($2,914)	($14,038)

Source: Walnut Creek Historical Society Form 990 Filing Information, 2014, 2015, and 2016.
**Revenues and expenditures do not include operational costs provides by the City of Walnut Creek such as major facility maintenance or landscape maintenance.*

According to the Society Office Manager, they work with the City to request funding for capital improvement projects and major repairs; however, the City only assists when its budget allows. The Society does use a little marketing money to advertise in *Here Comes the Guide* and other bridal publications and staff believes that more money should be allocated for this purpose.

Event Venue Transition

Shadelands has evolved over the years since it was originally founded. From its beginning as a private farming operation and house, the site is now owned by the City of Walnut Creek and operated by the Walnut Creek Historical Society. Shadelands is also the home of the Society. The City continues to provide general landscape maintenance and facility maintenance to major systems like heating and air conditioning; however general operation and management of the site is the responsibility of the Historical Society.

Morgan Hill Historical Society
To preserve and share the history of Morgan Hill, and its environs, to inspire a sense of community.

To: Chris Ghione, Director of Community Services
Cc: Christina Turner, City Manager

From: Kathy Sullivan, President, Morgan Hill Historical Society
Karl Bjarke, Vice President Morgan Hill Historical Society

Re: MHHS Comments on "Villa Mira Monte Historic Site - Event Venue" Study
Approved by the Morgan Hill Historical Society Board of Directors on April 27, 2020.

Date: April 28, 2020

Chris,

Thank you for the opportunity to review the "Villa Mira Monte Historic Site - Event Venue" study, dated January 2020, and prepared by Management Partners for the City of Morgan Hill. The Morgan Hill Historical Society (MHHS) would like to share our thoughts on the study and it's recommendations. We will also provide our own recommendation for moving forward.

We would like to start by thanking the City for commissioning this study and including volunteers and representatives from the MHHS Board of Directors in the development of findings and recommendations. The MHHS values our partnership with the City and as the study points out, the future of the Villa Mira Monte site is dependent upon a strong partnership.

<u>Comments on the Study</u>

Executive Summary: We are in general agreement with the conclusions in the Executive Summary. It sums up the practical and financial situation that the MHHS finds itself in today. However, regarding the current $1.8 Mil in the CIP the MHHS would like the City to think about this proposed expenditure not in terms of whether there will be a return on investment but rather as an investment into a park facility making it easier for the public to use the entire site. As you know, the back lot of Villa Mira Monte is an unsightly expanse of ground up asphalt and weeds. We at the MHHS have found that there is a tremendous need for parking for the community events we now hold. While the all-weather ground up asphalt has expanded the parking area and made the parking situation immensely more convenient for our customers and patrons, it is not as desirable, attractive nor usable as a nicely paved and landscaped parking area. Currently, parking for events is labor intensive and challenging to get cars parked in an orderly and efficient manner. Relocating the paved parking area to the back of the lot as required in the Circa Historic Review and permanently striping the parking lot would help the Society greatly and dress up the back area facing the railroad tracks and as viewed by the many who commute on the train. Landscaping the back provides the opportunity to install agricultural educational exhibits.

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Tax ID 94-2562450

Background: The Background section is good and represents the information we presented during our interviews with the Management Partners team.

Since those interviews, however, the Board has been working on initiatives in its Specific Plan that relate to 'Establishing Business Operations Best Practices' and 'Sustainability Assessment'. We are collectively coming to the conclusion that because of the limited resources (volunteers and funds) that the Board has at its disposal, it is not practical to create a separate Operations Council. We simply don't have the people power to manage an Operations Council while also trying to maintain the governance of the Board of Directors. This is consistent with the findings in the Management Partners study.

The last two paragraphs of the Background Section discuss the capital expenditure of parking and landscaping. As stated above, we differ with the study's conclusion: "...we do not believe these improvements would significantly expand the use of the property as an event destination." The MHHS believes the improvements should not be thought of as expanding the use of the site but would instead address the eyesore and improve the parking situation that the residents of Morgan Hill and visitors use on a regular basis right now. This is a City park facility and should be brought up to the standards of the other City parks.

Historical Site Plan and Proposed Capital Improvements Investment: The first sentence should be reworded to state, "Currently the front half of the Villa Mira Monte property includes the 1911 (not 1941) Acton Farm House relocated to the site in 2005 and renovated to serve as the Morgan Hill Morgan Hill Museum, …"

Project Approach: Takeaway #2 on page 10 is incorrect. The City does not own the property (refer to the correct title description in the 'Background' section on pages 5 and 6). We also recommend that takeaway #3 on page 10 should be reworded: *The Historical Society sees providing historical education through museum operations and with community events as their primary purpose. Operation of an event venue outside of the handful of community, education and fundraising events that currently happen is not the primary purpose of the organization and there is concern that the Historical Society's ability to operate the event venue is diminishing.*

This is intended to acknowledge that there are certain community events such as the Holiday Boutique, the Tea events, and the Community Picnic that are important for sustaining our membership interest and the revenue that generates.

The Case Study Research points out how unique the MHHS is and why it has these current challenges.

Villa Mira Monte Event Venue - Current Operations: On page 17 Management Partners concludes "...we believe any improvements to landscaping and parking at Villa Mira Monte should be undertaken only after a specific plan for the site has been completed that has identified the types of uses and events that are likely to occur at the site." Assuming that the City and MHHS agree that the Villa Mira Monte site's future is that of a Historical landmark and City park and not a large event venue, a Specific Plan is not helpful. Again, the MHHS believes the parking lot and landscaping improvements will address the needs of a beautiful community park with educational opportunities. Also provide for occasional rental events that serve private community celebrations.

We agree with the “Current Management and Operations” section. We agree with the “Observations” section and have the following comments on the three recommendations:

Recommendation 1: The MHHS would be grateful for any assistance from the City for rentals, operations, volunteer training, and marketing.

Recommendation 2: The MHHS would welcome a review and update of our rental fee structure. We don’t want to be in a position where our regular rental customers go elsewhere if our fee structure changes dramatically. This did happen and the Board of Directors approved a new fee structure on April 27, 2020. Our documents and website will be updated and the new rates will go into effect when Villa Mira Monte opens to the public as COVID-19 guidelines permit.

Recommendation 3: We generally agree with this recommendation, however, the MHHS is not yet in a position to work on a new Strategic Plan and a Business Plan. We are in the midst of working on our recently adopted Strategic Plan and from that effort we will have a much better idea of what resources we can commit to a new Strategic Plan. This includes our strategic planning for funds development. Until we have resolved as a Board what resources we can reasonably expect to have going forward (volunteers and funds) we are not in a position to start any new initiatives. We expect this to take eighteen months at the earliest. It is important to note that the impacts of the COVID-19 Pandemic on the MHHS resources is difficult to predict, but likely to decrease volunteers and funding for the foreseeable future.

Alternative Operational Options: We agree that ‘Option 1: Sustain the Site as a Historical Destination, not an Event Venue’ is the best of the options presented. However, this option should have a stronger financial commitment on the City’s part than described in the study. The City should provide annual operation and maintenance funds similar to what it has been providing. Without the establishment of a dramatically different funds development strategy, based on large donations from private entities or trusts, the MHHS will simply not be able to raise sufficient funds to keep the Villa Mira Monte property up to minimum standards. In addition, the City should include the Villa Mira Monte site in its CIP planning for parks citywide. This should be a priority before additional parks are planned and developed.

<u>MHHS & City Partnership Future</u>

We again want to emphasize the value we place on our partnership with the City in providing and keeping up the Villa Mira Monte site as a very unique City park asset. As the MHHS Board continues with its self-assessment we would like to share what we believe will become real factors in the Society’s ability to sustain the volunteer element of this partnership.

1. Finding and keeping quality volunteers is challenging and we don't see that improving in the near future.
2. The nature of the work involved in the complex governance, maintenance and operation of the Villa Mira Monte landmark and the MHHS mission to preserve and share the history of Morgan Hill and its environs, makes it difficult to find high quality and dedicated volunteer Board members who have the time and passion to serve the mission.

3. Over the next several months, the MHHS will work on resetting its purpose and objectives, likely resulting in scaling back events and activities due to the lack of resources. This will impact the small amounts of revenue that come with those events and activities which the Society uses to fund preserving, maintaining and operating the site.
4. Aside from potential future grants, the MHHS does not now have the fundraising mechanism to provide for large capital improvements expenditures that will most certainly be needed to keep up the Villa Mira Monte site.
5. In spite of the limitations that lie ahead, the Board still believes in a partnership with the City whereby the Society (made up of a team of volunteers, including a Board of Directors) handles the governance, outreach to the community, history-related education and operation functions, while the City provides financial support for the preservation, maintenance and regular operations including the occasional required capital expenditures.

CITY OF MORGAN HILL

LIBRARY, CULTURE, AND ARTS COMMISSION STAFF REPORT
MEETING DATE: May 5, 2020

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: Chris Ghione, Public Services Director

SELECTION OF CHAIR AND VICE CHAIR

RECOMMENDATION(S)
Select Chair and Vice Chair.

REPORT NARRATIVE:
City Council Policy dictates the order of selection of Chair and Vice Chair for City Commissions. Should a commissioner not wish to serve as Chair or Vice Chair, that individual could pass on his or her “turn” to serve in these roles. The current order per Council Policy to serve as Chair and Vice-Chair is:

1. Commissioner Benich - Appointed February 2018 (Did not reapply)

2. Commissioner Chabra - Appointed June 2018

3. Commissioner Thompson – Appointed in March 2019
   Commissioner Ganapthy – Appointed in March 2019

4. Commissioner Lake – Appointed April 2014 (Previously served as Chair in 2018)

5. Commissioner Khera – Appointed May 2017 (Previously served as Chair in 2020)

LINKS/ATTACHMENTS:
1. Council Policy-96-02 - Commission Selection of Chair and Vice Chair

CITY OF MORGAN HILL
CITY COUNCIL POLICIES AND PROCEDURES

CP 96-02

SUBJECT: **POLICY REGARDING TERM AND SELECTION OF CHAIR AND VICE CHAIR OF CITY BOARDS AND COMMISSIONS**

DATE: **APRIL 17, 1996**

REVISION DATE: **DECEMBER 15, 1999, REVIEWED JUNE 27, 2007; AMENDED APRIL 16, 2008**

ORIGINATING DEPT: **CITY CLERK**

In order to provide an efficient method for the selection of Chair and Vice-Chair from the members of the Boards and Commissions, it shall be the policy of the City Council of Morgan Hill to have these officers serve a one (1) year term beginning the first regular meeting date when the Boards and Commissions reorganize; following City Council appointments. A rotation system shall be followed in the selection of the Chair and Vice-Chair. The member who has served the longest on the Board or Commission without serving as Chair during the previous four (4) years shall be selected for the position of Chair. The member second in seniority who has not yet served during the previous four (4) years as Chair shall become Vice-Chair. If the member selected as Vice-Chair is on the Board or Commission at the time the next Chair is selected he/she shall become Chair.

Prior to selection as Chair, a Board or Commission member must serve a minimum of twelve (12) months on the Board or Commission. Each member's seniority shall begin upon the effective date of that member=s appointment to the Board or Commission. If two (2) or more members have equal seniority, the Board or Commission shall make the selection. In the event a member otherwise eligible for selection declines the position, the member next in seniority shall be selected. A Board or Commission member will be eligible to serve another term as Chair and Vice Chair provided at least four (4) years have transpired since having previously served as Chair or Vice Chair respectively. Such period may be reduced by one year increments if no other Board or Commission member is eligible to serve due to a recent appointment or because a member otherwise eligible for selection declines the position. If two or more members are eligible to serve another term as Chair, the member who has served the longest on the Board or Commission since having previously served as Chair shall be first in seniority to serve another term as Chair and Vice Chair.

This policy shall remain in effect until modified by the City Council.

APPROVED: ______________________
STEVE TATE, MAYOR

CITY OF MORGAN HILL

LIBRARY, CULTURE, AND ARTS COMMISSION STAFF REPORT
MEETING DATE: May 5, 2020

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: Chris Ghione, Public Services Director

WORK PLAN UPDATES

RECOMMENDATION(S)
Commissioners to provide updates on Work Plan items.

REPORT NARRATIVE:
This item is intended to allow commissioners to discuss progress on the items outlined within the Fiscal Year 2019/20 Work Plan. The Work Plan was approved by the City Council on June 26, 2019. The City Council added that they hoped the Commission would continue a focus on the Historical Society Partnership.

LINKS/ATTACHMENTS:
1. LCAC 2019-2020 Workplan Final

Library, Culture & Arts Commission

FY 2019-20 Work Plan

Approved by City Council on June 26, 2019

Overall Mission: To assist the City Council in accomplishing its goals by fostering an environment conducive to and supportive of the arts, culture, and life-long learning in Morgan Hill, working with existing community groups to promote resources, and facilitate partnerships.

Project Area	City Council Goal Supported	Staff Resources Required	Specific Task / Commissioners Assigned
Community Outreach	Supporting our Youth, Seniors and Entire Community Enhancing Diversity and Inclusiveness Community Engagement and Messaging	PS Director (minimal) CS Supervisor (Moderate) Recreation Manager (minimal)	(1) Participate with other groups to support community outreach and support arts and culture in the community (including Valle del Sur, El Toro Arts, SV Creates, Poppy Jasper Film Festival, Morgan Hill Diwali Festival) (All) (2) Explore development of a calendar relating to library, culture and arts events (Khera/Thompson) (3) Review opportunities to fund local public access cable television (Benich) (4) Explore opportunities for art programming in conjunction with the new Morgan Hill Magical Bridge Playground. (Khera/Thompson/Chabra) (5) Review City Commission website for opportunities for improvement and explore use of social media for promotion of Commission initiatives (Khera/Ganapathy/Chabra) (6) Explore opportunities for youth engagement in the arts (Khera)
Permanent and Proposed Public Art	Supporting our Youth, Seniors and Entire Community Preserving Our Cultural Heritage	PS Director (minimal) CS Supervisor (minimal) CS Coordinator (minimal) Maintenance Coordinator (minimal)	(1) Partner with local Artists to display their work. Review the possibility of implementing a utility box art program or other programs (doors, walls, etc.) (Ganapathy/Thompson) (2) Form subcommittees as needed to support specific art requests that come forward (All) (3) Explore opportunities for developing a Commission Budget to fund arts and culture (Khera/Thompson) (4) Review art inventory and complete updates to historical items list (Benich) (5) Explore the options and feasibility of creating an artist registry (Ganapathy/Chabra)

Project Area	City Council Goal Supported	Staff Resources Required	Specific Task / Commissioners Assigned
Art and Culture Events	Supporting our Youth, Seniors and Entire Community Enhancing Diversity and Inclusiveness	PS Director (minimal) CS Coordinator (minimal) CS Supervisor (minimal)	(1) Facilitate the Art a la Carte event (Benich is the lead/all members will support) (2) Explore opportunity to partner with artists on a children's art show (Khera/Chabra) (3) Evaluate the opportunity to create an international festival utilizing entertainment and food from various cultures (Chabra/Ganapathy)
Library Outreach and Support	Supporting our Youth, Seniors and Entire Community Enhancing Diversity and Inclusiveness	Library Staff (moderate) Senior Project Manager (moderate)	(1) Support Library outreach and advocacy as needed (All) (2) Coordinate Commissioner's Corner in Library to provide book recommendations (Khera) (3) Participate in annual Library Commissioners Forum (All) (4) Support incorporation of Children's art into the Library (Lake/Chabra) (5) Explore other opportunities for Library art contests in other media (examples: poetry, photography, literature) (Ganapathy)
Support of Historical Resources	Preserving our Cultural Heritage	PS Director (minimal) CS Supervisor (minimal)	(1) Explore opportunities for the Commission to support the Morgan Hill Historical Society partnership (Ganapathy/Crawford) (2) Support outreach and advocacy for the Historical Society as needed (All)

<u>Staff Resources Required</u>:
0-50 hours: Minimal; 51-100 hours: Moderate; 100+ hours: Significant