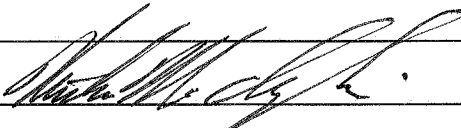


COUNCIL COMMUNICATION

DATE: April 27, 2010	AGENDA NO. VII. 8. a	SUBJECT: SLV Museums request for out of cycle funding for the year 2010
Department Head:		
City Manager:		
Nathan M. Cherpeski		
PRESENTED BY: Nathan M. Cherpeski		

Recommendation

It is recommendation of staff to adopt alternative 1, determining that the request cannot be funded at this time and invite the museum to submit during the normal funding cycle for the year 2011.

Background

The City, by Council policy, hears funding from nonprofit groups at a set time during the budget cycle. This process typically is held July through August. At times, the Council has listened to requests outside of this cycle. In October of 2009, the City heard a request from the museum to waive building permit fees for there edition. During that presentation, the City Council was told that all of the money had been raised for the completion of that project. The Council agreed to waive those building fees at that time. The request before the Council today is for \$20,000 to complete that construction project. This should be understood that any request for funding will have to come from existing expenditures. As Council will recall, the City adopts balanced budgets. For this type of request to proceed, it generally means a cut to a department.

In any given year, the City may have additional funding available. However, much of that is dependent upon the time of year. Because of several unknowns currently facing the City, such as the cost of a special election, future cost for the necessary upgrade to the City's network and storage systems, unknown costs of the City's share of the traffic light at 10th and 285 and levee costs staff's recommendation at this time is not to proceed with the \$20,000 request. While we did find money for the Rodeo, the City at that time was not facing a special election or some of these other costs.

Staff's recommendation would to have the museum reapply in July, so that their request may be weighed against other nonprofit requests.

Issue Before the Council

Does the City Council wish to consider the museum request?

Alternatives

Alternative 1. Determine that the request can not be funded at this time and invite the museum to apply during the normal funding cycle.

Alternative 2. Agree to fund this request and direct staff to bring it forward at a future meeting. This will likely require one of more operating division to make cuts.

Alternative 3. Decline to act at this time and give staff further direction for future action.

Fiscal Impact

Alternative 1 - No financial impact.

Alternative 2 - These requested funds have not been budgeted. While there may be savings in certain divisions, the City has significant needs. The City currently dedicates \$119,000 per year towards non-profit funding. These are funds that could be dedicated to infrastructure or other needs. This amount is enough to do several blocks of overlay work.

Alternative 3- Impact is unknown.

Legal Opinion

The City Attorney will be present for any legal questions.

Conclusion

While staff agrees that the museum is a valuable asset, it is not prudent to provide the \$20,000 at this time. The Museum would be eligible to apply under Council's current policy.



THE SAN LUIS VALLEY MUSEUM

Museum Board of Directors

Dorothy Brandt, Chair
Marie Weidmann, Vice-Chair
Mary L. Abeyta
Jo Bowers
John Brandt
Delores Chavez
Richard Vallone

April 26, 2010

Mayor, Council Members and City Manager
c/o City of Alamosa
Alamosa, CO 81101

Honorary Board Member

Gigi Dennis
Fmr. Secretary of State

RE: Additional information

Advisor

Mike Blenden
US FWS

Dear Mayor Rogers, Council Members and City Manager,

Legal Advisor

Eric Schwiesow
Lester, Sigmond, Rooney
& Schwiesow

You have before you several items that we feel are very important. First and foremost is our "Request for Funds". Also enclosed is a copy of the Implementation Plan which gives each of you an idea of how we are doing and our future plans.

We have included a rendering of Phase I and Phase II to give each of you a better idea as to the overall appearance of the Phases.

Financial Advisor

Ron Chapman, CPA
Wall, Smith, Bateman,
& Associates Inc.

The next three items are enclosed to either remind some and inform others, the nature of the journey the Museum has taken. They are as follows:

1. July 8, 2004 letter from the Valley Gateway Center,
2. May 5, 2005 Letter from Terry Smith to the Valley Courier,
3. January 11, 2008 Letter from the Alamosa Convention and Visitors Center.

Art Show Coordinator

Arvilla Weldon

We have included these pages to indicate to each of you the long and difficult journey the Museum has been on and is still on to this day. Please be aware that the Museum has a full and complete written record which shows the legal authority we are operating under.

Office Manager

Joyce Gunn

Your attention to this matter is sincerely appreciated.

Sincerely,

Dorothy M. Brandt
Board-Chair
San Luis Valley Museum

Mission:

Enrich human lives and to educate San Luis Valley citizens to respect and value cultural diversity, the local heritage of the San Luis Valley, as well as local and international wildlife and the arts.

Enclosure

April 26, 2010

To: Alamosa Mayor Rogers
Alamosa City Council Members
Alamosa City Manager

From: Dorothy M. Brandt, Chair
San Luis Valley Museum

Subject: Request for Funds

For several years, the San Luis Valley Museum has worked closely with the City of Alamosa, her City Council Members and City Manager, to be a viable part of the community, offering her citizens the opportunity to contribute to our City to make it a better place to live and work. Our relationship has been good from the very beginning when the City so graciously allowed us to use the Old City Jail in Cole Park for a Museum in the early nineties. The City employees, as an in-kind service, shared with us their expertise, ideas and time which helped our fledging, non-profit, grassroots organization to survive. Together we have taken a long journey, elected officials working hand in hand with a group of citizens. Thanks to this cooperation we now have a permanent facility we can all be proud of as well as it being a positive asset to downtown Alamosa. It is not quite finished but well on its way.

The Museum is much more than a building with artifacts representing the heritage of the area. It is a place where people from all generations can visit, tell stories and learn from past experiences. Education is the key that unlocks the door for all of us giving each of us the opportunity to learn from one another. Our diversity is our greatest strength. It is at the Museum where we can learn more about the multi-cultural pioneers who laid the foundation of the town we now all share. We get an insight to their experiences which help us to understand the joys and hardships they endured. This understanding brings mutual respect for our different cultures and ideas.

Just a brief overview. All of you are aware of the many studies, different locations and the wonderful donation of land for a home for the Museum. The building was appraised at \$185,000. The renovation was \$153,000 which was paid for from grants and donations. Phase I was completed and the doors open to our new home on December 7, 2007. Phase I is free and clear of debt.

In just 2009 our volunteers gave to the Museum in their time \$113,572.76 as greeters, docents, grant writing, board members and cleaners. Year to date we have received \$215,953 for in-kind work done on behalf of the Museum from covering our non-profit tax return and legal matters to our beautiful flowers, flower boxes, art work and our building. Donations and grants of \$279,000 have covered renovations, a small Endowment, beginning of Phase II, permanent exhibits, exhibit cases, computers, software and all of the other items it takes to run a first class museum.

We are currently working on Phase II. Since we pay as we go the construction is underway on the room addition with \$55,000 paid towards \$69,000. Once the room is finished we can begin the educational programs already underway, lectures and meetings. This area will also assist small meeting groups to have a place for them to gather.

As our summers are short, we do not want to miss any time. We have additional funds underway to finish the "Garden for the Recreation of the Mind" to utilize it for the summer months. We currently have interns from Adams State College assisting us with our activities. Work on our history as well as cataloging, assessing and research are on going. All of this is being accomplished by our Grassroots Organization with only one paid employee and our wonderful volunteers.

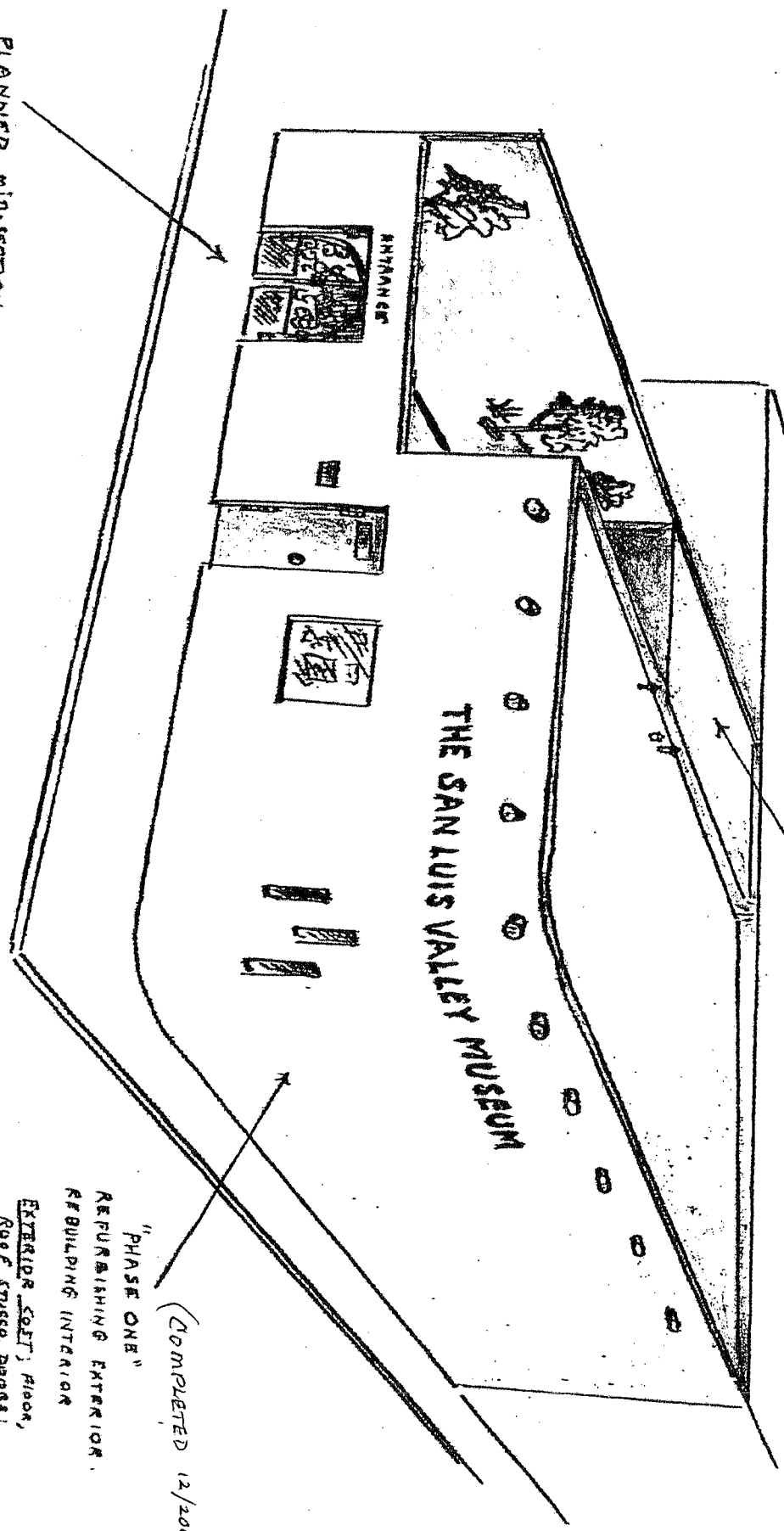
We come before you today to ask the City, to continue the journey started so long ago, by reinvesting in the San Luis Valley Museum. The Museum is requesting \$20,000 from the City to finish the addition, Phase II. This will complete Phase II and includes other materials for our educational programs and community meetings.

The Museum Thanks You for your consideration in this request for funding and would like to remind you that it's about the journey and not the destination. The Museum feels fortunate that we have great partners on this journey.

Implementation Plan:

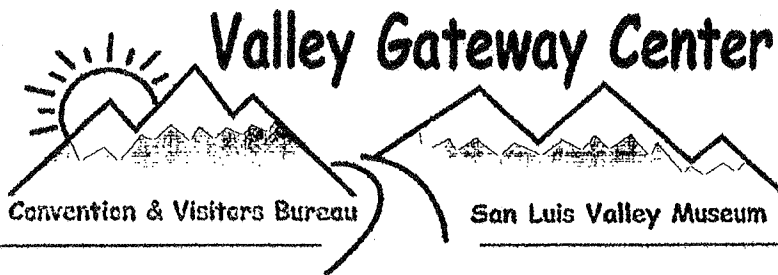
	Phase 1	Phase 2	Phase 3	Phase 4
Employ Marketing director	X			
Segment Market	X			
Define Target Market	X			
Perform marketing research of target market	X			
Understand consumer behavior of target market	X			
Reevaluate mission and vision statements with consumers in mind	X			
Increase admission to \$3 per person and create package deals		X		
Change brochure and utilize logo		X		
Launch integrated advertising campaign focusing on target market		X		
Improve signage/add mural to building		X		
Implement monthly rotation of exhibits		X		
Re-layout exhibits		X		
Build strategic alliances			X	
Use technology to record knowledge about museum			X	
Increase interactivity			X	
Create and utilize a customer satisfaction survey			X	
Develop "cash cow" in souvenir shop (e.g. photo souvenir)			X	
Maintain current market			X	
Expand target market				X
Establish the SLV museum as a "destination"				X
Expand museum to include a permanent wildlife exhibition				X

PLANNED MID-SECTION
 "PHASE TWO"
 FRONT PATIO 1,410 sq-ft
 COST: \$75,000.



BUILDING ADD-ON (840 sqft) COST: \$89,000
 "PHASE TWO"
 CONFERENCE ROOM.

(COMPLETED 12/2007)
 "PHASE ONE"
 REPAIRING EXTERIOR.
 REBUILDING INTERIOR
 EXTERIOR: SOFT, FLOOR,
 ROOF, TRUSSES, DOORS,
 HEATING SYSTEM. \$48,000.
 INTERIOR COST: INSULATION,
 CEILING, WALLS, ELECTRICAL,
 OFFICE, BATHROOMS: \$110,000.



Valley Gateway Center
Fundraising Campaign Office
PO Box 873
Alamosa, CO 81101
719-589-4840
719-589-1773 fax
bluckys@amiga.net

July 08, 2004

VALLEY GATEWAY BOARD OF DIRECTORS RESOLUTION

The Board of Directors for the Valley Gateway Center has hereby resolved that the following amendment should be made to the Article of Incorporation filed with the Colorado Secretary of State.

The Valley Gateway Center will not be responsible for economic development. The Valley Gateway Center will be a catalyst for the advancement of arts and culture in Alamosa County. The Valley Gateway Center will provide the opportunity for the community to experience art in the form of art show, culture in the form of plays, concerts, and productions, and history in the invaluable historical collections that are a part of the San Luis Valley History Museum.

Signed,

A handwritten signature in black ink, appearing to read "Keith R. Cerny".

Keith Cerny
Interim Chair, Valley Gateway Center

Nacho Martinez
Campaign Chair
Best Western

Gary Hasty
Campaign Co-chair

Keith Cerny
Campaign Co-chair
Valley Courier

Darius Allen
County
Commissioner

Roger Knapp
Alamosa National
Bank

Delzia Pavlovsky
Vectra Bank

Kristi Lopez
Wall, Smith, &
Batoman

Jeni Jack
Vectra Bank

Karla Willschau
Wall, Smith, &
Batoman

John Brandt
Biologist

Arnold Salazar
Sycare

Dale Hettinger
SLV Federal Bank

Duane Bussey
SLV Federal Bank

LETTERS

5/12/02 Suggestions for a museum

I read with interest Virginia Simmons' thoughts about a new museum in Alamosa. First, I would like to say we have a museum in Alamosa, but due to size and location it gets very little attention.

About 8 years ago, I attended a museum meeting put together by Bob Zimmerman at Adams State College about expanding our existing museum. There were quite a number of people there and the discussion revolved around the rich history and culture of the Valley that could be displayed in a larger museum.

Such things as our Hispanic heritage, our railroads, farming and ranching, mining, as well as some of the sub-cultures of the Mormon settlements, the Japanese settlers, etc. My recollection was that very little was mentioned about the Brandt or Weldon collections. The idea of a new museum was born.

I got involved in politics for a while and didn't have much further involvement in the museum at that time, and a short time later it appeared the Brandt's were spearheading the effort, and it appeared that the primary goal was to house the Brandt and

Weldon collections.

The museum group had some big ideas, but no money to make them a reality.

Some years later, the Alamosa Community Development Corporation (ACDC) saw a need for promoting tourism in Alamosa and the idea of a Gateway Center was born; which would house a convention center, a tourism bureau and the museum. We felt by combining these groups, all could benefit and it would work financially.

We moved forward with this project, but at this time the emphasis from the museum group was the Brandt/Weldon collections. After a lot of time and effort on this project, and several site changes, the opportunity came up to secure the old Kmart building at a very reduced price. After some research, it became obvious that this would work as far as location and would make this project financially feasible.

Again we moved forward and over \$50,000 was spent to make sure this project was financially possible. We had over \$1,000,000 equity in the building and \$300,000 in cash committed to the project. We knew it would take money to operate this facility so we got a marketing district tax passed to pay for operations.

At the last minute, part of the museum group decided they didn't want their exhibit at the old Kmart location. The city withdrew their support for the project and it went by the wayside.

The museum was now back to square one; no money, no building.

Our research indicated that tourism and the convention center would have generated approximately \$500,000 per year in additional sales tax revenue to our city. That would have paid for the arsenic treatment that the city is now going to charge the citizens of Alamosa for in higher water rates and taxes.

It would have been possible for the museum to have had a beautifully home at a price they could afford.

The question now arises: do we take the money from the new marketing tax and build a new museum or do we use it to market Alamosa to generate additional tax dollars to our community. I personally want to see this money put to its best use and not wasted.

I have some suggestions for a museum. First, I would like to see this be a museum promoting our history and heritage.

The Brandt and Weldon collections could be an addition to that but should not be our major focus.

Second, I would like to see all these supporters of the museum and these collections to step up to the plate with some money.

I believed in the Gateway project and I and several other business people spent about \$15,000 of our own money promoting this project which included the museum. I never saw any financial support from the museum. There needs to be.

Third, why don't we have the Rialto donated to the museum? They want to be downtown and maybe this is the jump start they need.

If this doesn't work maybe they could lease the second story of the new county building and operate the museum out of there until something better comes along.

We have a question currently before the marketing tax advisory board concerning the funds we have collected to date. Do we use this money to build a museum or do we use it to promote tourism in Alamosa?

The marketing funds can legally only be used to build a tourism center and promote tourism. A museum contributes to our quality of life and tourism will generate new tax dollars to our community.

Hopefully we can have both, but without new sales tax dollars from outside the Valley, our quality of life will be diminished.

Terry Smith
Alamosa



Alamosa Convention and Visitors Bureau
PO Box 1297, Alamosa, CO 81101
(719) 589-4840 cvb@alamosa.org
www.alamosa.org 1-800-BLU-SKYS

January 11, 2008

Dear San Luis Valley Museum Board of Directors,

The Board of Directors of the Alamosa County Local Marketing District voted to defer funding budgeted for construction costs on the Gateway Center in order to allow for the additional funding request of \$25,590 for the San Luis Valley Museum.

This additional funding will be available to the SLV Museum as matching funds for any fund raising money received by the museum in the calendar year of 2008. Please submit evidence of any funds received by the museum at the first of each month in order to request the matching dollars. You may submit this to our Executive Director.

The Members of our Board have discussed the funding level to be provided to the museum at length and with great gravity and caring. It is only after studying the Museum's needs and the responsibilities of our Board to satisfy the intention of the Marketing District Tax funds, that we arrived at the funding level of \$20,000. Additionally, the Board decided not to provide any guarantee of this funding level in the future in order to properly review our budget from year to year and respond the current needs and opportunities available for meeting the intent of the tax.

The Board will be funding area events, the visitor's center, convention activities, business recruitment and development and tourism promotion activities. All programs are requirements of the tax and must be maintained as priorities of the Board, in addition to funding area museums and cultural centers.

As you are aware, the Marketing District Board has been successful in obtaining the facility for the Gateway Center, as named in the referendum of the Marketing Tax. The remodeling of the total of over 15,000 square feet of the facility is the most significant expense of the Board at this time. Its operation will also require adequate funding. This project will begin in October of 2008. It is expected that the Local Marketing District will need to seek other funding in addition to the tax in order to complete this project. Funds budgeted for museums and cultural centers will reflect this fact.

who?

The additional funding for 2008 was approved with significant hesitation due to the Board's concerns regarding the level of the museum's additional fundraising intent. We believe that the Museum's funds need to come from diverse sources, and that the Local Marketing District Tax should not be expected to provide such a majority of the Museum's revenue. By offering this additional funding as a match for other fundraising efforts, our Board believes that a fair compromise has been established.

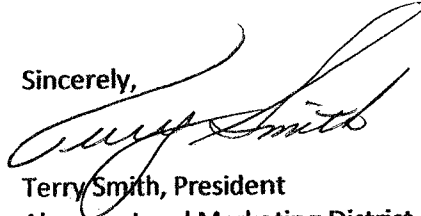
The Local Marketing District Board has generously provided the Museum with the majority share of the tax since its inception. This has been done in order to assist the Museum with significant support for the establishment of the new Museum. Our Board has always been clear with the Museum Board that the level of funding provided was for the start-up stage of your project. Since the Museum is open and

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operating, we congratulate the Museum Board on your success and look forward to concentrating now on the remaining demands of the intent of the tax.

We will submit a request to the County to generate a warrant for the approved \$20,000. Please submit your proposal to our Board for your 2009 funding request by October 1, 2008

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Smith", written in a cursive style.

Terry Smith, President
Alamosa Local Marketing District Board

cc: Alamosa County Commissioners

