



LEGISLATIVE ANALYST REPORT

To: Chair Dufty, City and School District Select Committee
From: Andrew Murray, Office of the Legislative Analyst
Date: September 20, 2007
Re: **School of the Arts Civic Center Campus** (OLA No. 012-07)

SUMMARY OF REQUESTED ACTION

Summarize the current status of the effort to create a San Francisco Unified School District School of the Arts campus in the Civic Center area. Identify related issues and opportunities. Identify similar efforts in other jurisdictions.

EXECUTIVE SUMMARY

The San Francisco Unified School District (SFUSD) School of the Arts (SOTA) High School provides instruction in core subjects and intensive training in a number of artistic disciplines, including creative writing, dance, media, music, theater, and visual art. Students, who currently number approximately 600, are admitted through a competitive audition process. Many other jurisdictions have public arts high schools with comparable curricula. Opposed to San Francisco, however, many of the schools in other jurisdictions are situated in program-driven facilities located in performing arts and civic center districts.

SFUSD has long considered moving SOTA, which is currently located at the McAteer facility adjacent to Glen Canyon Park, to a custom built facility at Civic Center. Supporters have suggested that moving the school would offer exceptional opportunities to the students, as well as significant benefits to the larger community, including accessible training and performances and signaling the importance San Francisco places on the arts and arts education.

The district has explored the possibility of renovating its buildings at 135 Van Ness Avenue and 170 Fell Street for SOTA. The buildings are located on a major thoroughfare adjacent to significant performing arts institutions. However, this particular parcel presents considerable challenges, as both of the buildings on the site are deteriorating landmarks, which would be relatively expensive to renovate. Although a number of public and private sources might be accessible to help bridge the significant funding gap that currently exists, considerable leadership will be required to secure the funding and successfully develop both the SOTA facility and program to meet ambitious visions.

SCHOOL OF THE ARTS (SOTA)

The San Francisco Unified School District (SFUSD) School of the Arts (SOTA) High School is an arts-focused magnet¹ school created in 1982, partially due to the advocacy of esteemed local artist Ruth Asawa, who was one of the city's arts education pioneers. The school provides students from throughout the district and beyond with a core curriculum of basic subjects comparable to those offered students at other high schools, as well as intensive training in a number of artistic disciplines, including creative writing, dance, media, music, theater, and visual art. Students are selected for admission through a competitive audition process, and current enrollment is approximately 600.

SOTA originally occupied a portion of the Eugene McAteer High School campus, located adjacent to Glen Canyon Park roughly 3.5 miles from Civic Center. The regular high school program occupied the remainder of the campus. In 1992 SOTA moved to 700 Font Street, a recently vacated former elementary school site near San Francisco State University, to establish its own identity, apart from the regular high school at McAteer. However, as a former elementary school, the Font Street facility was ill suited to SOTA, and the move to Font was always considered temporary.

In 2002, SOTA returned to the McAteer site after the regular high school program was closed. The facility, built in the 1960s with a 390-seat theater and studio space, provides ample room for SOTA, which occupies just a portion of the campus that once accommodated total enrollment of over 2,000 students.

To provide arts training for students that do not meet SOTA's entry requirements but ultimately want to attend SOTA, and to more fully capitalize on available space at a relatively modern facility, in 2005 a separate Academy of Arts and Sciences High School was created at the McAteer campus. The academy, to which students are admitted by lottery, is expected to grow to 300 students at its full maturity, in 2008. The academy offers instruction in various art forms (students can enroll in SOTA courses) and is a model of arts-based learning. McAteer also serves as the hub of the district's arts program, housing the Visual and Performing Arts (VAPA) Office, as well as some district administrative offices.

SFUSD's enrollment has steadily declined over the past years from a high of approximately 90,000 to just 55,000 students currently. The district has responded by closing some schools and has considered selling some of its surplus property. Some have suggested that the McAteer campus particularly, located on a site thought to be desirable to developers, could be sold, and the resulting substantial revenue directed to capital projects.² Alternatively, others have suggested that the district should retain ownership, but engage a private developer in a project that might generate on-going annual revenue to the district's general fund.

¹ The term magnet is used throughout this report to refer to schools that draw students from throughout a district. Many magnet schools have competitive entry requirements to restrict admission to talented or high achieving students. Many also focus on a particular discipline or area of study, such as science and engineering, the humanities, or the fine arts or performing arts.

² According to the California Education Code, every public school district may only expend revenue obtained from the sale of its property on capital projects.

SOTA's academic performance and graduation rates are very high compared to other high schools in the district. SOTA's Academic Performance Index Base Score is 805, which places it among the top 10% in the state, and its graduation rate is 99%. As an academically high performing school that serves a select student body, the school has been criticized as not being representative of the district as a whole, which creates equity concerns. To encourage representativeness, the school has an outreach and assistance program for students who need guidance to meet audition and admissions requirements. These efforts have changed the demographics of the SOTA student body over the past few years. Ten percent of SOTA's current students reside outside of San Francisco, down from 23% in 2001.

SUCCESSFUL ARTS HIGH SCHOOLS

A number of high schools in other jurisdictions offer curriculum similar to SOTA's. According to a membership organization, the International NETWORK of Schools for the Advancement of Arts Education, California alone has a number of such schools.³ Five programs were recognized by the Doris Duke Charitable Foundation in 2001 for excellence among public performing arts high schools: Baltimore School for the Arts, Cleveland School of the Arts, LaGuardia High School of Music & Art and Performing Arts (New York, NY), Los Angeles County High School for the Arts, and New World School for the Arts (Miami, FL). These, as well as Booker T. Washington High School for the Performing and Visual Arts (Dallas, TX), Denver School of the Arts, Los Angeles High School for the Visual and Performing Arts, and New Orleans Center for Creative Arts, are described below.

Each (except the New Orleans Center for Creative Arts) provides a core curriculum that is similar in most respects to that offered in traditional high schools, as well as intensive training in visual and performing arts. As illustrated in the table below, many of the programs were created in the 1980s and 1990s, although some evolved from much older programs. Almost all require competitive auditions for admission. A few admit middle school students.

Table 1. Characteristics of Prominent Public Performing Arts High Schools					
School	Founded	Enrollment	Audition	Middle School	High School
Baltimore School for the Arts	1980	320	Yes	No	Yes
Booker T. Washington High School for the Performing and Visual Arts (Dallas, TX)	1970s	750	Yes	No	Yes
Cleveland School of the Arts	1981	600	Yes	Yes	Yes
Denver School of the Arts	1991	900	Yes	Yes	Yes
Fiorello H. LaGuardia High School of Music & Art and Performing Arts (New York, NY)	1984	2,600	Yes	No	Yes
Los Angeles County High School for the Arts	1985	560	Yes	No	Yes
Los Angeles High School for the Visual and Performing Arts	2009	NA	No	No	Yes
New Orleans Center for Creative Arts	1973	850	Yes	No	Yes
New World School for the Arts (Miami, FL)	1987	500	Yes	No	Yes

³ Coronado School of the Arts, Huntington Beach High School Academy for the Performing Arts, Renaissance High School for the Arts (Long Beach), Los Angeles County High School for the Arts, Oakland School of the Arts, Riverside Performing Arts High School, San Diego School of Creative and Performing Arts, School of the Arts High School (San Francisco), and Orange County High School of the Arts

Many of the programs also share similarities in terms of their facility design and location. As indicated in the table below, most are situated near major performing arts venues, which are often adjacent to civic centers. Many of the schools are also situated in facilities that were constructed or significantly renovated specifically to accommodate an arts education program. In many cases, the creation of custom built, program-driven facilities was enabled in part by support from fundraising organizations affiliated with the schools.⁴ These fundraising organizations also support other activities and often engage alumni that include successful artists. For example, the Friends of Cleveland School of the Arts, established in 1982, has raised over \$17 million dollars to support school programming.

School	Program Driven Facility (Date)	Capital or Fundraising Campaign	Near Performing Arts	Near Civic Center
Baltimore School for the Arts	In process	Yes	Yes	Yes
Booker T. Washington High School for the Performing and Visual Arts (Dallas, TX)	In process	Yes	Yes	Yes
Cleveland School of the Arts	No	Yes	Yes	No
Denver School of the Arts	Yes (2003)	Yes	No	No
Fiorello H. LaGuardia High School of Music & Art and Performing Arts (New York, NY)	Yes (1984)	Yes	Yes	No
Los Angeles County High School for the Arts	No	Yes	No	No
Los Angeles High School for the Visual and Performing Arts	Yes (2009)	NA	Yes	Yes
New Orleans Center for Creative Arts	Yes (2000)	Yes	No	No
New World School for the Arts (Miami, FL)	Yes (2008)	Yes	Yes	Yes

Intuitively, one would expect proximity of an arts high school to major performing arts organizations to spur collaboration. In fact, many of the schools do have formal and informal collaborations. However, proximity alone is not enough to guarantee interaction. LaGuardia High School, for example, although located at Lincoln Center, does not have much formal collaboration with the performing arts organizations that are also located at Lincoln Center.⁵

Baltimore School for the Arts

The Baltimore School for the Arts (BSA) is a public high school founded in 1980. It is located within a mile of the Mount Vernon Cultural District, which houses the Baltimore Opera Company and the Baltimore Symphony Orchestra, and the civic center. BSA recently acquired a new building adjacent to

⁴ Alumni and Friends of LaGuardia High School, Inc.; Baltimore School for the Arts Foundation, Inc.; Booker T. Washington High School for the Performing and Visual Arts, Arts Magnet Building Campaign Advisory Board; Friends of Cleveland School of the Arts; Friends of the Cleveland School of the Arts; Friends of the Denver School of Arts; Los Angeles County High School for the Arts Foundation; Miami-Dade Community College Foundation, Inc., for the New World School for the Arts; and NOCCA Institute

⁵ Lincoln Center houses the Metropolitan Opera, New York City Ballet, New York City Opera, New York Philharmonic, the New York Public Library for the Performing Arts, School of American Ballet, The Juilliard School, and other world-renowned cultural institutions.

its current site and will be renovating and expanding both, a \$29.2 M capital project. BSA has approximately 320 students, and will expand subsequent to its renovations. BSA activities are supported by funds raised by the BSA Foundation.

Booker T. Washington High School for the Performing and Visual Arts

Booker T. Washington High School for the Performing and Visual Arts is a public arts magnet high school located in the Arts District of downtown Dallas (TX), which contains the symphony, Dallas Museum of Art, and Dallas Center for the Performing Arts. Founded in the 1970s, the school has a current enrollment of 750 students. A new facility for the school (an expansion and renovation of the existing site, a historic landmark building) will be completed in December 2007. A civic and business partnership called the Arts Magnet Building Campaign made the capital project possible.

Cleveland School of the Arts

The Cleveland School of the Arts (CSA) is a combined public arts middle and high school. Started in 1981, the school currently enrolls over 600 students. It is located in Cleveland's University Circle, which is home to the Cleveland Orchestra, Cleveland Museum of Art, and the Cleveland Institute of Music. Notably, the majority of students come from families living at or below the poverty level. Over 80% go on to institutions of higher learning, and CSA students have the highest attendance rates, proficiency test scores, and graduation and college acceptance rates in the Cleveland Municipal School District.

Denver School of the Arts

The Denver School of the Arts (DSA) is an arts magnet middle and high school founded in 1991. It currently has approximately 900 students, and offers majors in creative writing, dance, instrumental music, and stagecraft and design. Each prospective student must audition for a specific major. DSA consistently scores "excellent" in state academic rankings. The school has been criticized as not reflecting the student makeup of the district. Almost 30% of the school's student body lives outside the district, whereas roughly 5 percent of DPS students overall come from outside the district. Whereas 12% of DSA's students live in poverty and about 35% are students of color, 65 % of students come from impoverished households and 76% are students of color district wide.

DSA relocated to a new facility that opened in fall 2003. Some of the structure was built around an existing fine arts building that had been owned by the University of Denver. The new facility is not located downtown. Rather, it is 5 miles from the Golden Triangle Museum District (Denver Art Museum, Denver Public Library, Colorado Ballet, and Ballet Arts Theatre), the Denver Center for Performing Arts, and the Denver Performing Arts Complex. The school is supported in part by the charitable Friends of the Denver School of the Arts, made up of community members, businesses, and foundations organized to provide financial support for DSA.

Fiorello H. LaGuardia High School of Music & Art and Performing Arts

Fiorello H. LaGuardia High School of Music & Art and Performing Arts was created in 1984 through the merger of two existing programs, the High School of Music & Art (founded in 1934) and the School of Performing Arts High School (founded in 1947). Admission is based on a competitive audition, and the school currently has 2,600 students. It school is housed in a building specially designed for arts students, located adjacent to the Lincoln Center for the Performing Arts.

LaGuardia has a very active alumni organization, “Alumni and Friends,” which provides scholarships and support for special programs and events. The school's alumni organization has a full-time executive director and offices located at the school.

New York has a separate, additional performing arts school, the Professional Performing Arts School (PPAS), created in 1990 to meet the needs of students who wanted to actively pursue professional work in the arts while they earn a middle or senior high school diploma.

Los Angeles County High School for the Arts

The Los Angeles area has an existing arts magnet and is in the process of creating a second. The Los Angeles County Office of Education operates the Los Angeles County High School for the Arts (LACHSA). It opened in 1985 on the campus of California State University, Los Angeles. It accepts students from all of the 80 Los Angeles County school districts, and its current enrollment is nearly 600.

LACHSA has recently undertaken three outreach programs to try to better prepare students from underserved schools for enrollment in LACHSA. This includes performances at middle schools, busing elementary and middle school students to LACHSA to observe dress rehearsals, and an audition workshop for sixth, seventh, and eighth grade students. Lacking its own performance venue (it has access to the Luckman Fine Arts Center located at the university), performance facility rental is one of LACHSA's main out-of-pocket expenditures. Having to access a number of different venues has, however, enabled LACHSA to develop strong relationships with a number of other arts institutions in its community. LACHSA does have access to the university's main library.

The school is publicly funded, but much of its arts budget is provided by money raised from the private LACHSA Foundation. LACHSA has devised an advertising campaign to try to raise money for their arts program in anticipation of competition from the newly developing Los Angeles Unified School District arts magnet, described below.

Los Angeles High School for the Visual and Performing Arts

The Los Angeles Unified School District (LAUSD) is building its own arts magnet high school. The High School for the Visual and Performing Arts will be located downtown near major arts venues, including the Music Center, the Disney Concert Hall, and the Museum of Contemporary Art. The new school building will cost \$238 M to construct and will open in 2009, only admitting students from LAUSD. The

school currently plans to admit all students that wish to attend, rather than conducting competitive auditions.

New Orleans Center for Creative Arts

The New Orleans Center for Creative Arts (NOCCA), or NOCCA|Riverfront, is a public pre-professional arts training center for secondary school-age children. It is not a comprehensive arts high school. Rather, students study half of the school day at their core school and spend the afternoon at NOCCA receiving arts instruction. NOCCA was founded in 1973 and was housed for many years in an old elementary school building located in uptown New Orleans. In 2000, the school moved to a newly built campus located in the Faubourg Marigny neighborhood. Admission to NOCCA is by audition only. NOCCA was the recipient of the 2006 National Award for Excellence in Arts Programs for Youth granted by the U.S. Conference of Mayors and Americans for the Arts.

New World School of the Arts

The New World School of the Arts (NWSA) is a single educational institution that hosts a Miami Dade County Public Schools (MDCPS) arts high school, as well as a branch of Miami-Dade College. High school students are admitted through auditions, then instructed in their core curriculum by MDCPS teachers and instructed in the arts by MDC faculty. High school students graduate with 30 MDC credits, such that many immediately enroll in college as second year students. The high school's enrollment is approximately 500 students.

The high school component of NWSA evolved out of an earlier arts magnet, The Performing and Visual Arts Center. That was dissolved and incorporated into NWSA in 1987. The first principal of the NWSA high school was formerly the principal of LaGuardia High School in New York. The NWSA high school campus is fragmented, with various programs being taught at different buildings in the same section of downtown Miami, the Metro-Dade Cultural Center area. A new Performing Arts Center is being built a few blocks north of NWSA and is set to open in 2008. NWSA has its own Office of Development for fundraising purposes.

MOVING SOTA TO CIVIC CENTER

Effort to Move SOTA to Civic Center

As illustrated above, a number of the leading public arts high schools have custom built facilities located near major performing arts institutions. Similarly, effort has been made in San Francisco to explore the possibility of moving SOTA (and possibly the Academy of Arts and Sciences) to the Civic Center area. Civic Center houses a number of cultural institutions, including Davies Symphony Hall, the War Memorial Opera House, the San Francisco Ballet, and the Asian Art Museum. Susan Stauter, SFUSD Artistic Director, notes in the book *The Sculpture of Ruth Asawa: Contours in the Air* that Ruth Asawa envisioned a nationally prominent arts high school at Civic Center, providing teacher training, classes for parents, special after school and weekend programs, and performance venues.

In 1992, soon after SOTA moved to the Font Street location, the Superintendent and the Board of Education committed to finding a larger facility for SOTA. After discussion, it was determined that parcel 0815 001, district property housing 135 Van Ness Avenue (formerly the Newton Tharp School, now SFUSD administrative offices) and 170 Fell Street (formerly High School of Commerce), might be an appropriate site. The centrality and visibility of parcel 0815 001, located on a major thoroughfare near City Hall and arts institutions, make it a very desirable location, according to SOTA and arts education supporters. Locating SOTA on the site would communicate the value the City and district place on arts and arts education.

In 1995, SFUSD engaged the services of Gordon Chong Architects to design a renovation of 135 Van Ness Avenue and 170 Fell Street to make those buildings seismically safe, although not specifically reconstruct them for an arts high school. However, the project was halted prior to the completion of the construction documents, as inadequate funding was available for the renovation.

In 2005, the effort to move SOTA to parcel 0815 001 was re-ignited when SFUSD again hired the firm (renamed Chong Partners) to prepare a new school program and design/construction cost model to reflect an updated vision for SOTA. The firm developed a specific room-by-room space utilization plan and several conceptual design models identifying how 135 Van Ness Avenue and 170 Fell Street could be renovated to accommodate SOTA's specific needs, especially in the areas of theater, dance, choral, music and the visual arts.

Policy Addressing SOTA Move to Civic Center

In 1994, the San Francisco Planning Department issued the Civic Center Area Plan, which identified an arts high school as a possible contributor to the Civic Center Area.

In 2003 and 2006 voters passed local bond measures providing some funding for SOTA's relocation to Civic Center.

In 2006, the San Francisco Board of Education adopted the SFUSD Arts Education Master Plan. Through the plan, the district aims to provide quality sequential arts education from pre-K through grade 12. The plan articulates the following goals:

- Offer principals, teachers, parents and site councils at every school solid strategies for building exciting, engaging, effective arts programs;
- Embrace and integrate the wealth of arts and cultural resources in the Bay Area;
- Involve all who care about arts education in long-term planning and implementation; and
- Distribute visual and performing arts funding equitably and seek additional support for arts education throughout the district.

The master plan does not identify relocating SOTA to Civic Center as a priority, although it does make reference to continued progress towards SOTA's slated move to 135 Van Ness Avenue.

SFUSD is currently developing the Student Enrollment, Recruitment and Retention (SERR) Initiative, which will provide guidance on how to meet the district's enrollment, recruitment, and retention goals. As part of that effort, and to dovetail with the City's capital planning effort, the district is developing a 10-year capital plan. The district is in the process of assessing its sites, and has identified over \$800M in need related to 90 facilities (of 194 facilities total). The district expects to complete its first ten-year capital plan by the end of 2007, which will include project prioritization.

Benefits of Relocating SOTA to Civic Center

Relocating SOTA to Civic Center will enable student access to and collaboration with exceptional arts institutions and professionals. Many artists note that environment and propinquity are critically important to the artistic process. In addition, it will provide an ideal location for collaborative summer programs and a venue for arts performances by a variety of organizations. The facility could also serve as a venue for local, state and national organizations to host arts educators, administrators, teachers, parents, art patrons and the general public for engaging arts programs.

A central SOTA location will allow better transit access to and from the site for students on a daily basis as well as allow parents and teachers to attend classes or training sessions. (One element of the Arts Master Plan is to train teachers throughout the district.)

In addition, a dynamic new facility could add vibrancy to Civic Center, and possibly key some economic development. Regarding parcel 0815 001 specifically, a new arts program on the site could add some vitality to a deteriorating building. A marquee location will elevate the school and will be a powerful symbol of the city's commitment to the arts and arts education.

CHALLENGES TO RELOCATION

Cost of Renovation

The space program prepared by Chong Partners included the following two conceptual designs:

- The Blue Scheme involved renovating both 135 Van Ness Avenue and 170 Fell Street. The firm determined that it would cost \$171.5M (approximately \$800 per square foot for 170 Fell Street), which does not include the cost of renovating Nourse Auditorium (\$28.6M). In addition, some functionality issues would not be remedied - for example, the floors of the two buildings are not aligned.
- The Sepia Scheme involved renovating 135 Van Ness Avenue and demolishing 170 Fell Street, constructing new buildings on that location. The firm determined that it would cost \$142.9M (approximately \$400 per square foot for new construction at 170 Fell Street). This estimate also does not include the Nourse Auditorium renovation (\$28.6M). This plan does not address the practical challenge of demolishing a historic building, discussed further below.

Note for the sake of comparison that the cost of new school construction in San Francisco is approximately \$25,000 to \$40,000 per student. In the case of relocating SOTA to parcel 0815 001, the cost per student would be roughly ten times that amount (\$150M / 600 students = \$250,000). The cost per student would of course decrease if the Academy of Arts and Sciences also relocated to the site (\$150M / 900 students = \$167,000). Note that an arts intensive school will naturally involve additional costs beyond a normal high school for items such as sound systems; sprung floors and specialty dance surfaces; theatrical rigging, costume and scene shops; kilns and rigging for sculpture studios; and additional plumbing and ventilation requirements. The new SOTA facility envisioned by Chong Partners and cost consultant Davis Langdon on parcel 0815 001 would include gallery space and community-accessible space, amenities that add modestly to the marginal cost.

Renovation Challenges Specific to 135 Van Ness Avenue and 170 Fell Street

Parcel 0815 001 presents particular development challenges. The two buildings on the site, 135 Van Ness Avenue (Newton Tharp School, 1926) and 170 Fell Street (High School of Commerce, 1910) have been rated as landmarks and historic buildings. The entire site is incorporated in City Landmark 140, and both buildings are contributors to the Civic Center Historic District. In addition, 170 Fell was determined eligible for the National Register of Historic Places and listed on the California Register. 135 Van Ness was determined to be ineligible for the National Register.

Both buildings are historic resources under CEQA. When Gordon Chong Architects was designing renovations in 1995, an Environmental Impact Report (EIR) was created and certified pursuant to CEQA regarding the site. The base plan of the EIR included removing 170 Fell Street. The EIR addressed the significance of 170 Fell Street as well as mitigation efforts related to its removal. The EIR was ultimately certified in 1998 by the Board of Education including mitigation of 170 Fell Street's removal by simply documenting the building thoroughly before removal.

If 170 Fell Street's removal could not be successfully mitigated, the San Francisco Planning Department states that any project on the site involving either of the buildings would have to ensure no major alterations to character defining features, both inside (given that they are public buildings) and out. Although the height limit in the site's district is essentially 160 feet, any major changes to the existing building envelopes would be scrutinized and perhaps discouraged by generally accepted preservation standards and Planning Code Article 10.

FUNDING RELOCATION

The major obstacle to relocating SOTA has been the inability to secure the required funding. As noted above, Chong Partners estimated that creating a renovated facility at parcel 0815 001 will cost at least \$143M. A variety of funding sources has been discussed relative to relocation. Note that the district has traditionally funded new schools and major renovations with a mix of general obligation bonds and state matching funds. Possible funding sources include:

- \$39M in new construction (opposed to modernization) grant funding under the California Department of General Services School Facility Program, on a 50/50 state and local sharing

basis. (A significantly smaller grant would be available for modernization.) This funding would only apply to a project in the Galileo Attendance Area (roughly Civic Center). It is not clear whether the same funding amount would be available for new construction on an alternate site in the Galileo area, as the original application for funding was tied to parcel 0815 001. This state funding application cannot be submitted until the construction documents for the project are completed and approved by the Division of the State Architect. The \$39M is therefore a commitment, but not a guarantee.

- \$10.3M set aside by SFUSD in a designated fund for renovation of 135 Van Ness Avenue and 170 Fell Street related to damage from the 1989 Loma Prieta earthquake. Note that prior to the earthquake, the main district administrative offices were housed at 135 Van Ness Avenue, and have since moved to 555 Franklin Street.
- \$15M from Proposition A (November 2003) for rehabilitating 135 Van Ness Avenue for SOTA. The bond language stipulates that the funding cannot be used for another project or site, and that the bonds cannot be sold until other construction funds for the project are raised.
- \$15M from Proposition A (November 2006) for renovating or constructing a facility for SOTA, not specific to 135 Van Ness Avenue.
- Potentially some portion of Public Education Enrichment Fund (Proposition H, March 2004) resources, which will total \$60 M in FY 2009-10, one-third of which will go to general education purposes. The Controller and City Attorney would have to determine that SOTA construction is an allowable use of the funding.
- A portion of development impact fees that go to the district for general education purposes, of which the district receives approximately \$3M - \$9M per year.

Note that given competing demands, it is unclear whether the district would allocate discretionary Proposition H, development impact fee, or surplus property revenue (discussed below) to a SOTA relocation project.

Proceeds from the Sale of Surplus Property, Including the McAteer Campus

The district is currently in the process of identifying surplus property, which it expects to complete in 2007. The district has already identified approximately 6-8 sites not being used for educational purposes that might be surplus. Given the decrease in attendance faced by the district, it is anticipated that as much as 20% of the district's facilities might be identified as surplus. Note that not all surplus property can be sold, as school boards are required to provide facilities for charter schools in their district. Under the California Education Code, proceeds from public school property sales can only be used for capital projects in the district. School property is a limited resource and often expensive to re-obtain in the face of enrollment growth. For this reason, districts are often reluctant to sell property.

Use of Transferable Development Rights (TDRs)

Recent amendments to San Francisco Planning Code section 128 authorize the sale of transferable development rights (TDRs) for certain properties zoned as public and owned by the City. Property zoned public but not owned by the City, such as that owned by SFUSD, cannot currently participate in the TDR program, but a change to the code could allow such. There are currently a number of projects in the development pipeline that could make use of TDRs. The City has identified the War Memorial Veterans Building, the War Memorial Opera House, City Hall, and other public buildings as those that might sell their development rights, representing approximately 3,000,000 square feet of development space and \$75M in revenue. (The current estimated valuation of development space is approximately \$25 - \$30 per square foot.) The City is considering the sale of the Veterans Building's TDRs to finance seismic upgrades projected to cost approximately \$114M.

Attracting Additional Resources for Nourse Auditorium

135 Van Ness Avenue has a significant architectural resource in Nourse Auditorium. As noted above, Chong Partners estimate that renovating it alone would cost \$28.6M. The costs are high as the auditorium renovation includes a total seismic reconstruction and theatrical upgrades beyond what a normal high school would require (approximately \$2M to upgrade Nourse from an excellent high school auditorium to a professional performance venue). Nourse could potentially serve as a joint use facility shared between SOTA and other performing arts institutions in the city such as the opera or ballet, for which it could be a secondary performance hall. The auditorium might alone be eligible for an additional \$1M from the state for renovation as a joint use facility.

As a distinct architectural resource and a community asset as a joint use facility, there is some suggestion that its renovation might be attractive to a private capital campaign. A joint use facility would have to balance access for students' performance with other performances.

Private Capital Campaign

According to the figures listed above, assuming renovation project costs of \$143M and available resources of approximately \$79M (state funding, SFUSD funding for earthquake renovation at 135 Van Ness Avenue, and Propositions A (2003 and 2006)), relocating SOTA to parcel 0815 001 faces a funding shortfall of over \$60 M. A private capital campaign is one potential means of closing the funding gap. If the capital campaign is a lengthy one, the funding gap is expected to grow substantially, as renovation costs are expected to escalate by 6-7% or more per year due to normal industry cost escalations, and could grow even more rapidly due to the deterioration of the buildings. A capital campaign for SOTA might serve as a model for other district capital campaigns.

Attracting Additional Development Resources

One means of funding the significant renovation costs of the historic buildings or another Civic Center construction project is to create a mixed-use development incorporating the school. A private developer might be willing to provide significant resources towards renovation for the right to develop additional

stories on the site. Or, the district or City itself could use its own resources to develop a mixed-use project serving other public interests, such as low-cost teacher housing. This of course assumes that some relaxation of the historic preservation requirements would be possible relative to renovation of historic buildings. Additional discussions would have to verify that a mixed-use project of housing or commercial and an educational institution would be desirable.

New Bond, State or Federal Resources

Given the influence of San Francisco representatives at both the state and federal level, a line item for SOTA is a possibility. The project's budget pales in comparison to many other items. Resources from a new local bond are also possible.

RELOCATION ALTERNATIVES

Status Quo

SOTA is enjoying success in providing excellent education to its students at its current location. Therefore, the option of maintaining the status quo bears serious consideration. It might be possible to establish expanded collaborations with arts organizations despite SOTA's distance from Civic Center. In addition, it might be possible to use a portion of the bond funding or other resources to renovate the McAteer campus, a fairly modern one, to better suit SOTA's needs.

Renovation of 135 Van Ness Avenue and 170 Fell Street (Parcel 0815 001)

Relocating to Civic Center might spur the initiation of a number of collaborations with professional arts institutions, which would benefit SOTA students. Some of these collaborations might also be possible at SOTA's current location. The specific benefits of relocating to parcel 0815 001 include the renovation and preservation of at least one of the deteriorating historic buildings. In addition, the district already owns the property, lowering transaction costs. However, the cost issues present sizable challenges. Stakeholders noted regarding this option that the 135 Van Ness Avenue and 170 Fell Street buildings are deteriorating, and it would be additionally expensive to renovate them after additional delay and deterioration. Therefore, the renovation option will not remain viable for long.

The demolition of 170 Fell Street and demolition of portions of the 135 Van Ness complex have been discussed as part of a potential renovation of the site. The current geometry and configuration of the buildings do not lend themselves to the large spaces required for music, dance, and some of the visual arts. However, it is not clear if demolition is feasible or desirable given the historic preservation consideration.

Any option other than renovating parcel 0815 001 for SOTA would leave the district in the same challenging position of how to otherwise make use of the deteriorating, restrictive facility.

Relocation to Another Civic Center Site

Renovating parcel 0815 001 would be expensive. An alternative would be to construct or renovate another building in the Civic Center area. New construction costs would likely be around \$400 per square foot, or \$80M for the 200,000 square feet needed for SOTA. Additional funds would be required to purchase the site if it was not already district owned. It is possible that a new facility could be smaller (and therefore less expensive) than the 200,000 square feet identified in the Chong Partners space plan if the school were able to negotiate the use of practice and performance space at an existing facility, such as the recently renovated San Francisco Conservatory of Music. An alternative would be to share construction costs with another organization for a joint-use performance facility. There is some indication that the symphony and opera might desire secondary performance venues.

It might be possible to exchange parcel 0815 001 for another site (and building) in the Civic Center area with a developer willing to tackle the historic preservation issues.

Co-location with an Arts Education Institution

One means of economizing costs of constructing or renovating custom-built performance facilities is to co-locate with another institution with similar needs. As described above, it might be possible to jointly fund a shared use performance facility with another organization. In addition, on the model of Los Angeles County High School for the Arts, it might make sense to reconsider proximity to San Francisco State University. This would provide access to instructors and advanced level courses. San Francisco State University (SFSU) offers majors in art (with emphases in studio art, art education, and art history), cinema, dance, drama, and music. This would not improve SOTA's geographic centrality, but could potentially improve the educational experience of students. However, collaboration between SOTA and SFSU was limited when SOTA was located at Font Street. SOTA's instrumental music and visual arts departments established relationships with the university, but there was no high-level commitment on the part of the university to allow SOTA student involvement. For example, SOTA students were not granted membership privileges to the university's main library, a considerable resource.

Co-location with an arts education institution in the Civic Center area, similar to the New World School of the Arts model, appears attractive. However, there are no significant arts education institutions in the Civic Center area that offer both performing and visual arts instruction. The San Francisco Art Institute, Academy of Art University, and The Art Institute of California - San Francisco are all exclusively visual arts oriented.

Leasing Private Space

An alternative to constructing, renovating, or purchasing a Civic Center facility, the district could lease the use of a private facility. State and local government agencies can issue interest-bearing bonds free of federal taxation for qualified public school development projects. A provision of the Economic Growth and Tax Relief Reconciliation Act of 2001 extends this ability to private developers for school projects. Because the overall cost of privately developed projects might be lower than publicly developed projects (due to competition and efficiency), it might be possible for a school district to lease-to-own a

new private facility at lower cost than constructing one itself. Experience with similar projects suggests that costs could be 20 - 30% lower than public projects.

OTHER ISSUES

In discussing relocating SOTA generally and relocating it to Civic Center specifically, stakeholders raised the following additional issues.

- As a challenging and costly project, the relocation of SOTA will require strong leadership and City and district support. Although many public sector leaders (including at the City and district) have expressed interest and support, no single champion or group of leaders has made it a top priority. Such leadership could affect new state or federal resources or a private capital campaign.
- If relocation is determined to be a priority, a single person without significant additional responsibilities should be charged with developing the new facility and associated relationships and programs. This role would require broad talents and experience.
- The equity issue is significant in fundraising. An expensive facility for a relatively small number of students in a resource-challenged environment might not be attractive. In addition, private philanthropy generally does not support capital projects for public schools. The broader impacts, including providing performance space, cultural events, parent education, and district-wide programs, need to be articulated and attractive.
- The effort to relocate SOTA does not have a Board of Directors or other infrastructure common to capital or other fundraising campaigns. SOTA has not had significant fundraising efforts in the past.
- The vision for a future SOTA, incorporating a new facility, could be more concretely defined. Such a vision is important to building support, both private and public. The vision will also determine the needs, which define the resources requirements.
- The school currently lacks adequate equipment and needs additional teacher training. This raises the question of where additional operating funds that will be required on an ongoing basis to match an exceptional new facility will come from. Some have suggested that a new campus and the exceptional programs it spawns will enable the school to more easily attract public and private resources in the future.

CONCLUSION

Many of the prominent public arts high schools in other jurisdictions have program-driven facilities located near major performing arts institutions. However, it is unclear to what degree they leverage their location to engage in collaborations. Resources for relocation, renovation and other initiatives at many of

these schools have been provided through capital campaigns and active charitable organizations established specifically to benefit the schools.

SFUSD has long considered moving SOTA to a customized facility at Civic Center. The centrality and visibility of such a new location would communicate the value of arts to San Francisco, as well as enable strong collaborations with existing arts institutions. The major obstacle to relocating SOTA has been the inability to secure the required funding, which might be viewed as a prioritization or leadership issue. The funding requirement is substantial, particularly when its current site accommodates the program acceptably in many regards. A site that has been investigated as a future Civic Center home, parcel 0815 001, contains two historic buildings (135 Van Ness Avenue and 170 Fell Street) that would be expensive to renovate. The opportunity cost of a possible relocation amplifies existing equity concerns regarding SOTA.

The currently available resources are not sufficient to finance a relocation to parcel 0815 001. Therefore, a sizable infusion of new public or private capital would be necessary to close the funding gap. SOTA appears to face a number of challenges in closing the gap. The window of opportunity for moving to parcel 0815 001 particularly might be closing, as the cost of renovation will increase significantly over time as the buildings deteriorate.