



Oakland School for the Arts

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**SPECIAL ELECTRONIC
Meeting of the Board of Directors
December 28, 2015, 11:00 A.M.**

**Call-In : 1-877-810-9415
Access: 3076221**

**Call Center Will Be at OSA, 530 18th Street, Oakland Ca. 94612
In the Conference Room (220)
And at various other locations**

1. 11:00 a.m. Call to Order/Roll Call
2. 11:05 a.m. Single Agenda Item:
 - a. Executive Director and facilities Team report on the availability and feasibility of leasing the Newbery's Space at 1931 Broadway and 1921 Telegraph, a contiguous property consisting of the Telegraph side (7000 sq. ft.) and the Broadway side (4000 sq. ft.).
 - b. The urgency is that although we have "reserved" the Broadway side and hoped to have right of first refusal on the Telegraph side, the owners report that they have a firm offer on the Telegraph side and that if we are interested at all, we need to get them a LOI by mid week prior to New Years, as the negotiations with the new tenant (undefined retail) are in the advanced stages.
 - c. Following the sending of this agenda, a report from the E.D. on the facility specifics will be submitted and posted as well.
3. 12:00 p.m. Adjournment



THE OSA SCENE SHOP PROJECT: The Newberry's Solution (1931 Broadway)

The Need: The Black Box Theater has been serving as the de facto scene shop, limiting its use as a functional theater and presentation space. Our many productions and performances would be better served by a dedicated scene shop space.

What Newberry's Provides:

- *Broadway access to the front doors of Sweet's only one door down; the building is adjacent to Sweet's and shares a basement; large front room allows for building and power tool operation; three back rooms allow for storage and/or secondary construction space.
- *Connection with Telegraph side that we hope to obtain in 2016-2017.
- *Tie-in with Uptown Venue (*now run by Steve Snider, who we hope to partner with in creating a large arts and performance venue when Sweet's, Newberry's and the Uptown are combined, which would include outdoor courtyard space and even the potential for a rooftop garden.*)
- *Retail storefront requirement allows for sales of OSA gear and tickets.
- *Excellent visibility for school on busy Broadway corridor.

Current Status:

- *Owner has provided us with a lease proposal for the soonest possible entry date as there are other interested parties.
- *City of Oakland has approved mixed retail/workshop use with no further restrictions.
- *No drawings, plans, construction are necessary if we create the retail façade with movable partitions, which was our original plan.

Lease and Finances:

- *4000 sq. ft. at \$2 per = \$8000 monthly
- *NNN expenses at \$.37 per = \$1480 monthly (reduced in Year 2 when property tax exemption kicks in)
- *TOTAL MONTHLY = \$9480
- *If we are ready to move Mar. 1 and receive 3 free months, (possible with the Telegraph side leased as well), our total FY2016 expense would be \$9480 (only the month of June).
- *Improvements will be connected to Sweet's fire safety proposal; some extra ventilation work will eventually be needed but we have air suction equipment and other features we used in the Black Box. Although we need to develop a longer-range plan to fully take advantage of the Newberry Broadway space, the current

configuration of one large front room that can house both a shallow retail façade and a scene shop behind it with no construction needed, plus three back rooms for storage, other types of work and specialized training in skills like period detail, on-stage lighting like sconces and floor lighting.

Impact on Other Facility Use/Fiscal Implications:

The addition of the scene shop will not displace any other facility lease; it is an enhancement, in fact an essential one, that will significantly improve the work environment, the efficiency, and the professionalism in an already high-functioning department that is vital to the artistic output of the school.

Production Design serves its own shows, multiple theater and music shows each year, school assemblies, outside renters, special galas, and in many ways, in terms of performances and frequency of use, is more the face of the school than the Fox Theater. To enrich its work with a facility that is mutable, in proximity to the stage, and has a Broadway corridor presence, is a set of assets too good to pass up.

Fiscally, we do gain advantages by acquiring the ability to grow this Department. Inside the Fox complex, we regain the use of the Black Box as a functioning theater, increasing revenue by perhaps \$8-10,000 annually; with extra room for students as well, and allowing our popular and award winning fashion sub-genre to grow, the entire Department could grow from 40 to perhaps 60. Twenty students net an annual revenue of approximately \$140,000 when accounting for attendance and special factors like socioeconomic and disability status. While the 20 could most probably be absorbed in academic classes (5 per grade) without additional staff, a third PFD teacher would be needed, most probably a sound expert, a an annual cost of approximately \$30,000. If the 20 were truly extra, and attendance grew from 750 to 770, we would net something in the neighborhood of \$100,000. Given that we have a \$25,000 grant plus a matching \$25,000 to use for improvement and equipment, this option by itself – almost 100% guaranteed by the owners, honoring our previous commitment – seems to be an ideal set-up,



THE OSA INSTRUMENTAL MUSIC PROJECT: The Newberry's Solution (1920 Telegraph)

The Need: Instrumental Music is a large (150 students, 17 staff) equipment and space demanding department that is currently strewn across various spaces in a jumble of immediate need, spontaneous revelation, special friendships with classroom teachers, costly rentals, hallways and stairwells – in short, a patchwork cacophony that is straining the resources of the facility, the staff, the equipment itself, and in a strange by-product, both the registrar and school secretary are impacted by the difficult schedule and the impossibility of locating students when needed by a parent or a service provider.

What Newberry's Telegraph Provides:

*Newberry's Telegraph provides 7 classrooms and 2 offices for a total of 7000 sq. ft. With the other side priced at \$2 per sq. ft. and our ongoing positive relationship with the owners giving us the possibility of the same rate, the estimate of \$14,000 monthly plus \$.37 NNN costs Year One gives us a monthly of \$16,590 and an annual of just under \$200,000.

*With four full music rooms in the Fox Complex and these seven, IM would have 11 spaces to use daily in which equipment would be set up, stored, secured, housed – an immense upgrade in teaching and learning conditions, and a great savings on wear and tear with both the instruments, the equipment, and the Fox facility,

*Tie-in with Uptown Venue (*now run by Steve Snider, who we hope to partner with in creating a large arts and performance venue when Sweet's, Newberry's and the Uptown are combined, which would include outdoor courtyard space and even the potential for a rooftop garden*), giving us yet another performance space to utilize.

*Retail storefront requirement allows for sales of OSA gear and tickets.

*Excellent visibility for school on busy Telegraph corridor.

Current Status:

*Owner has another offer on the space and has asked us to submit an LOI by midweek.

*City of Oakland has approved mixed retail/workshop use with no further restrictions on the Broadway side and this should be even easier here because instruments are less impactful than power tools on the local retail scene.

*No drawings, plans, construction are necessary if we create the retail façade with movable partitions, which was our original plan.

Lease and Finances:

*7000 sq. ft. at \$2 per = \$14,000 monthly

*NNN expenses at \$.37 per = \$2590 monthly (reduced in Year 2 when property tax exemption kicks in)

*TOTAL MONTHLY = \$16,590

*If we are ready to move Mar. 1 and receive 3 free months, (possible with the Broadway side leased as well), our FY2016 expense for Telegraph would be \$16,590 (only the month of June).

*Improvements will be connected to Sweet's fire safety proposal. Although we need to develop a longer-range plan to fully take advantage of the Newberry Telegraph space, the current configuration of seven discreet classrooms is very close to what is needed. Later improvements (soundproofing, beautification, storage lockers, music stands and chairs, electrical upgrades), could run in the six figures.

TOTAL ANNUAL LEASE COST FOR BOTH SIDES, YEAR ONE: \$315,000

Telegraph: \$200,000

Broadway: \$115,000

Impact on Other Facility Use/Fiscal Implications:

The addition of the music will displace the following facility leases:

1. Piedmont Piano Practice rooms: \$15,000 -- \$20,000 annually
2. Freelove Studio in Oakstop Building -- \$9,000 annually

Instrumental Music is a complex department into which we have just begun enrolling the students who we hoped to get years ago – trained musicians who belong to youth orchestras and create a buzz around a growing program. Now at 150 students total, we still lack instrumentation for a full symphonic orchestra, and current space arrangements do not inspire confidence in families with serious musical aspirations. Our first-rate staff, led by Cava Menzies and Nick Kanozik, make up for many of these deficiencies with their professionalism and ingenuity.

Fiscally, we do need to add up to 80 students to the school to make this fully work for both Telegraph and – not including TIs. The owners have not been forthcoming with TI considerations in the belief that their base rate is very low (as the \$1.15 sq. ft. rate in Sweet's attests). We may choose to use the funds now in Merrill Lynch for that purpose, but with \$315,000 in base facility costs and the addition of both academic staff (1.5 FTE) and music or arts staff (1.5 FTE), using \$70,000 as an average price for a teacher including benefits), the total base expenditure would come to about \$525,000. Eighty students generate approximately \$600,000.

As we turn away up to 20 qualified students per year across departments, often more, the growth of the school to 800-825 with appropriate space secured, is fully achievable without any loss in talent or quality.