

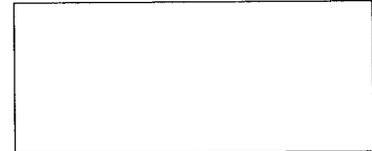
Memorandum



Date: May 13, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor



Subject: Proposed Reorganization of the Vizcaya Museum and Gardens Trust into a Not-for-Profit Organization

The purpose of this report is to inform the Board of County Commissioners (Board) on our efforts to strengthen the organizational structure of Vizcaya Museum and Gardens, with the goal of developing a more effective public-private partnership by reorganizing the Vizcaya Museum and Gardens Trust into a not-for-profit organization. Our key objectives are to streamline Vizcaya's governance and to leverage more private fundraising to promote enhancements in preservation and educational programming.

In 1998, the Board established the existing governance structure, whereby the museum is overseen by an advisory board, the Vizcaya Museum and Gardens Trust. Since then, the Trust has made steady strides in advancing its dual mission of preservation and education for the benefit of our community, working closely with Miami-Dade County and Vizcaya's support organizations. In its most recent review of Vizcaya's museum accreditation, the American Alliance of Museums, the nation's premier organization serving the field of museums, recommended that Vizcaya address the complexity and overlapping layers of its current governance structure. Consequently, Vizcaya's supporters engaged in a comprehensive planning process to re-evaluate Vizcaya's governance model, with a focus on looking at best practices and elevating private fundraising. Following extensive analysis of Vizcaya's structure and the County's most successful public-private partnerships for oversight of cultural facilities, Vizcaya's supporters, my administration and the Department of Cultural Affairs are pursuing a reorganization of the Vizcaya Museum and Gardens Trust into a not-for-profit 501(c)(3) organization with responsibility for governance, staffing, management and fundraising. Under this model, the County would retain full ownership of the entire Vizcaya property and its art assets, and the new not-for-profit Vizcaya Trust would enter into a management agreement with the County. Such agreement would be subject to the Board's approval and contain conditions necessary to ensure an ongoing commitment to broad public access and rigorous professionalism.

Vizcaya's Governance Evolution and the Recent Planning Process

Per the mission statement approved by the Board in 2005, through Resolution R-1155-05, Vizcaya Museum and Gardens is a National Historic Landmark that preserves the Miami estate of agricultural industrialist James Deering to engage our community and its visitors in learning through the arts, history and the environment. Vizcaya was built by the American businessman as a private residence in 1916. The property was conveyed to Miami-Dade County in 1952 to be preserved in perpetuity as a public museum, featuring a main house, outbuildings known as the Village, and extensive grounds including ten (10) acres of formal gardens and a native forest.

For nearly 50 years, Vizcaya was managed by Miami-Dade County through the Park, Recreation and Open Spaces Department. In July 1998, through Ordinance 98-112, the Board restructured Vizcaya as a freestanding County agency and established the Vizcaya Museum and Gardens Trust as its governing body. Vizcaya's day-to-day management is provided by an Executive Director who supervises approximately 65 staff members, all of whom are County employees. The Executive Director, Dr. Joel Hoffman, who has served at Vizcaya for over ten (10) years, reports to the Vizcaya Museum and Gardens Trust and receives administrative supervision through my office. The Board established the Trust to advance Vizcaya's mission as an accredited museum and, through the Executive Director, to

operate, maintain, preserve, and promote this exceptional National Historic Landmark for the citizens of, and visitors to, Miami-Dade County. For more than 50 years, Vizcaya also has received support from private-sector partners. In the years following the Trust's formation, and with the support of the County and private citizens alike, Vizcaya has made steady strides in preservation and educational programming. Thanks to improvements in Vizcaya's preservation, programming, and marketing, paid visitation has risen by over 75 percent in the last eight (8) years. The Board's decision to establish the Vizcaya Trust played a critical role in Vizcaya's positive transformation.

However, based on subsequent planning and analysis, it has become apparent that Vizcaya's current organizational structure is impeding greater success, particularly with respect to fundraising. The complexity of the volunteer governance and support entities, and the accompanying difficulty of a public governing board raising private support for Vizcaya's operation and improvement, have proven inefficient and challenging. During Vizcaya's 2012 re-accreditation by the American Alliance of Museums, concerns were raised about Vizcaya's organizational structure and long-term financial stability.

Based on the professionalism of its operation, Vizcaya was re-accredited, but because of our shared concerns and with the estate's 2016 centennial on the horizon, Vizcaya's volunteer and staff leadership proactively embarked on a privately funded planning process with a highly respected consultant. The purpose of this planning process was to review Vizcaya's governance, fundraising potential, financial stability, and its master plan in an effort to unite the entire property, including the Vizcaya Village (building upon the development plan approved by the Board through Resolution R-1157-05). The planning process examined a number of the County's beneficial and successful public-private (non-profit) partnerships for cultural facilities and property owned by Miami-Dade County (e.g., the Adrienne Arsht Center for the Performing Arts and HistoryMiami). My staff and the Department of Cultural Affairs have participated in this in-depth review and have confirmed the advisability of the directions being developed. Through this planning process, the Vizcaya Museum and Gardens Trust ratified a new five-year Strategic Plan focused on the following four (4) goals:

1. Preservation: Renovate, restore, and unify the Main House, Gardens, and Village sites.
2. Engagement: Expand educational public programs on both sides of the property to deepen ties with South Florida residents and support membership initiatives.
3. Organizational Structure: Establish the optimal organizational structure for efficient and effective governance and operations.
4. Financial Resources: Revitalize membership, develop a robust private sector annual fund program, and strengthen fundraising events to increase unrestricted support from individuals, corporations, and foundations. Raise major gifts and endowment for capital improvements, operating initiatives, and long-term financial stability.

A New Strategic Direction and Next Steps

Most importantly, the planning consultant recommended that Vizcaya pursue substantial reorganization to unify and enhance the effectiveness of its supporters and staff. These recommendations were unanimously adopted by the Vizcaya Museum and Gardens Trust, which consists substantially of Board appointees. We are working cooperatively with these key Vizcaya stakeholders to develop a detailed recommendation for a new operating partnership for Vizcaya—one that is based on the public-private precedents for leveraging more private resources for County-owned property. This recommendation will be presented to the Board for review and approval.

The central features of this recommendation will include:

- ongoing County ownership of the entire Vizcaya property (buildings, grounds, and art collections);
- a newly established not-for-profit organization evolving out of the successful Vizcaya Museum and Gardens Trust that would oversee Vizcaya's staffing, management, fundraising, and advancement of the Strategic Plan. This not-for-profit organization would involve representatives of the current Trust, consolidate the existing support entities, and, for continuity, be known as the Vizcaya Museum and Gardens Trust, Inc.;
- professional continuity that would be maintained by affording opportunities and encouraging Vizcaya's County personnel to become employees of the new not-for-profit organization; and
- a management agreement that is approved by the Board to govern the relationship between the County and the new not-for-profit organization, establishing clear roles and responsibilities, and checks and balances, ensuring ongoing County representation on the organization's board, and maintaining stringent expectations for public access.

The concept of Vizcaya's reorganization was introduced to the Board as part of the Trust's 2013 Sunset Review. The next steps involve Trust members' establishment of the new non-profit entity and collaborative development of a detailed management agreement for Board review and approval, with the goal of transitioning to a new structure by FY 2015-16. Be assured that, as we move forward with developing a recommendation for this reorganization, we will continue to provide the Board with updates on our progress and maintain a clear focus on Vizcaya's unique importance as a public asset to all of Miami-Dade County's residents and visitors.



Michael Spring, Senior Advisor
Office of the Mayor