



MAY 15, 2024

SOMERVILLE ARMORY

Future Governance Agenda

Goals of This Meeting Series How does the Armory function 50 years from now?
How does the Armory reflect the needs of the Community?
Are we on the right track?

Goals of This Meeting Group Agreements

Armory Master Plan Why?
Work to Date
What's Next?

Draft – Vision of Success Review Draft Vision Statements **(Hand-out A)**
Worksheet Prompt 1

Developing a Governance Structure for the Future What is Governance?
Governance & the Master Plan
Governance Wish List **(Hand-Out B)**
Worksheet Prompt 2

Governance Pathways Implementing the Vision -Achieving the Wish list
What is a Quasi-Municipal Trust?
Potential Pathways
Governance Pathways & Wish List **(Hand-Out C)**
Worksheet Prompt 3

After the Master Plan Implementation Steps

Want to do the
worksheet digitally?
Scan the QR code.





HAND-OUT

A

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DRAFT VISION

- The Armory is an affordable, stable, supportive home for artists to focus on work.
- The Armory is a welcoming, inspiring place where visitors enjoy diverse programming.
- The Armory is accessible with transparent and equitable governance where neighbors are appreciated and engaged.
- The Armory is a center for art, community and culture where:
 - A broad range of arts programming is offered to the community
 - Tenants and users are complementary but diverse
- Governance of the Armory equitably and transparently considers a broad range of arts-related tenants and programming to ensure diversity and compatibility with the Armory's vision.
- The Armory should serve the community but maintain an artistic focus
- The Armory should remain flexible for the needs of the community and the tenants.
- The Armory should contain a mix of long term tenanted spaces and short term rental spaces.
- Tenants and programs at the Armory should be curated iteratively to produce a complementary, but diverse, group of tenants and activities.
- Issues of sound bleed, building capacity, and other physical constraints should be considered when selecting tenants
- Management should anticipate and address conflicting needs promptly.





HAND-OUT

B

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Governance Wish List

Based on what we have heard from the community, research conducted, and the draft vision statement we have compiled a “governance wish list” that represents an ideal governing structure:

- Transparent, equitable, and goal oriented
- Independent and objective body
- Ability to manage short-term uses alongside long-term tenants
- Preserve Low Cost Space for Art
- Financial Flexibility & Access to Diverse Resources





HAND-OUT

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C

Governance Pathways

The following governance pathways represent different organizational options for managing the Somerville Armory. Each one has its advantages and disadvantages. On the following pages you will find a comparison of each pathway as it relates to the ideal “wish list” identified from the community engagement process.

Non-Profit Organization

WHAT

A specific entity separate of City processes

HOW

City helps create a specific non-profit to operate and/or govern the Armory

TIMELINE:

Medium Term

Quasi-Municipal Trust

WHAT

An entity that has its own processes with some City oversight

HOW:

City creates a quasi-government trust to operate and/or govern the Armory

TIMELINE:

Longest, may require Home Rule Petition.

City Department

WHAT

A department housed within the City government structure

HOW:

City hires/delegate staff to operate and/or govern the Armory full-time

TIMELINE:

Short Term



WISH LIST ITEM: **Transparent, Equitable, and Goal Oriented**

	Non-Profit Organization	Quasi-Municipal Trust	City Department
Clear Mission and By-Laws to ensure continuity	Non-profit Boards have the power to vote to change the mission and by-laws, which poses potential pros and cons. Safeguards to such mission changes would depend on the length and conditions of the long-term lease with the City. Least long-term durability of Mission.	Mission would be set upon creation of the trust. Changes to the trust's mission are expected to require City Council vote, public engagement, and possibly state legislature vote , ensuring transparent safeguards to any changes in the mission of the building. Strong durability of Mission.	Mission would be set by a to be established advisory committee charter. Changes to the mission would require amendment of the charter and vote of the City Council. Priorities of future elected officials could influence shifts in interpretation or full amendment of the mission. The safeguard to changes in mission is the political process and elections. Strongest durability of Mission.
Staff management and support	Board structure established by the non-profit's bylaws. Board would oversee staff performance. At the discretion of the non-profit organization, the Board could be structured with identified seats for key perspectives to create internal accountability as turnover occurs. Board seats would be nominated by a Committee of the non-profit Board and approved by the non-profit board.	Board structure established at the onset of the Trust. Depending on enabling legislation, staff may report to the board or staff oversight may be a split responsibility with the City. Additionally, the board could be structured with identified seats for key perspectives to create internal accountability as turnover occurs. Board seats would be nominated by a Committee of the Trust and approved by the Trust oversight.	Advisory committee structure set out at the start and supported by City staff. Staff report to the Mayor. Composition of the advisory committee can be structured with identified seats for key perspectives to ensure internal accountability.
Public access to regular governance board meetings	Not subject to Open Meeting Law. Non Profit organization's by-laws can be structured to articulate any standards for sharing minutes and/ or public attendance at meetings. Relatively low public access provisions (could be strengthened at behest of Board)	Subject to Open Meeting Law. Public attendance at all meetings allowed. Strong public access provisions.	Subject to Open Meeting Law. Public attendance at all meetings allowed. Strong public access provisions.
Financial Performance Review	Least Public. Budgeting and approval processes overseen by non-profit staff and board with no required public feedback or approval process. Annual financial reporting required by the IRS for 501(c)(3) non-profits. Format and timeline guided by IRS and not city processes. Additional reporting to the City could be built into the lease terms.	Most public. Annual financial disclosures dictated by the state enabling legislation, and still to be determined. Disclosure to Mayor and City Council anticipated.	Most public. Annual financial reviews built into the annual public budget process. Additional detailed reporting from the advisory committee to the Mayor/City Council could be written into the advisory committee charter.

WISH LIST ITEM: Independent and objective body

	Non-Profit Organization	Quasi-Municipal Trust	City Department
Board Composed of Diverse Voices	Board is fully independent of City structures after initial setup. By-laws can dictate the diversity of seats to cover differing perspectives and important advisory roles.	Board appointments via City volunteer selection process and appointed by Mayor and approved by City Council. Trust formation documents can outline the diversity of seats to cover differing perspectives and important advisory roles.	Advisory Committee appointments via City volunteer selection process and appointed by Mayor and approved by City Council. Committee charter can outline the diversity of seats to cover differing perspectives and important advisory roles.
Ability to Separate Governance Decisions from Operations Decisions	Most independent , operating as its own entity. Recommendation is an independent organization with the board focused on governance decisions and guiding and empowering staff to make operational decisions.	Semi-Independent , operating parallel to City agencies as an independent organization. Decisions made by the Board not the City. Operational decisions should fall to staff with guidance from the Board or a municipal advisory committee.	Least Independent. Management by City Departments and could be routinely influenced by local politics and community perspectives. Operational decisions should fall to staff with regular guidance from the advisory committee.
Speed and Flexibility in Long-term Governance Decision Making	Most flexible with decision speed dependent on board action. Not subject to Open Meeting Law requirements. Board members can deliberate with little regulation.	Flexible with speed of decisions dependent on seated members, tempered with the open meeting law requirements.	Least flexible and slowest. Governance level decisions may require Mayor and/or City Council action and the coordination of multiple stakeholders before a change is instituted. Must also abide by Open Meeting Law regulations.
Harness Community Member Participation & Enthusiasm	Most flexible. A non-municipal entity may garner more community support and buy-in because there's more flexibility and less bureaucratic rules governing volunteering and public participation.	Moderately flexible. May be able to channel community member participation and enthusiasm into a "Friends of..." group or targeted activities without the formality of City group structures.	Most formal. Community engagement opportunities are more formal and volunteer activities are regulated. Shared community input will come from typical channels within local government, but could still work with community groups or advisory boards.

WISH LIST ITEM: Ability to manage short-term uses alongside long-term tenants

	Non-Profit Organization	Quasi-Municipal Trust	City Department
Leasing Efficiency for Long Term Tenants	Leases drafted by staff for review and signing by board. Most efficient.	Leases drafted by staff, reviewed and signed by Trust board. Most efficient.	Leases drafted by staff for approval by City Council which can be a long process - least efficient. Leasing also regulated by state procurement law.
Conflict resolution	Most efficient. Less potential for political interference.	Moderately efficient. May be encumbered by public process requirements.	Least efficient. May be encumbered by public process requirements and politics.
Booking for short term spaces	Managed by staff, may not be able to leverage municipal systems.	Managed by staff. Can leverage municipal systems.	Managed by staff. Can leverage municipal systems.
Central communications & marketing	Managed by staff. May not be able to leverage City resources.	Managed by staff. Can leverage municipal website and Communications infrastructure	Managed by staff. Can leverage municipal website and Communications infrastructure

WISH LIST ITEM: Preserve Low Cost Space for Art

	Non-Profit Organization	Quasi-Municipal Trust	City Department
Subsidize Rents for Long-term Tenants and User Fees for short-term spaces	Anticipating least ability to subsidize. Non-profit manager will need to recoup operation, staff, and capital investment costs through rents and other sources. Without access to existing City resources the cost of operation could be higher translating into higher rents and user fees. Ability to subsidize would depend on fundraising ability of the board and staff. Cross-subsidy between high paying tenants and low paying tenants possible.	Anticipating moderate ability to subsidize. Municipal staff serving Trust could be absorbed by City budget and possibility of the Trust managing multiple spaces in the long term could allow for cross-subsidy between buildings. Access to municipal capital budget for replacement of major building systems can help reduce need for rent to cover those big ticket items, but also slow down delivery of those projects.	Anticipating moderate ability to subsidize. Municipal staff could be supported with City budget instead of building user fees. This will be dependent on mission and municipal policy. Access to municipal capital budget for replacement of major building systems can help reduce need for rent to cover those big ticket items, but also slow down delivery of those projects.
Rent/Art Production Sponsorships	Most Flexible. Ability to fundraise in order to provide sponsorships to users of the space is greatest with an independent non-profit governance structure.	Moderately flexible. Ability to fundraise to provide sponsorships to users of the space is available but less nimble than a non-profit.	Least flexible. Ability to fundraise or use City funds to sponsor users of the space is very limited. Limited to public grant programs.

WISH LIST ITEM: Financial Flexibility & Access to Diverse Resources

	Non-Profit Organization	Quasi-Municipal Trust	City Department
Financial Flexibility & Access to Diverse Resources	Most flexible and nimble. Leasing can be done between staff, board leadership and the tenant directly. Does not need to comply with municipal procurement law (M.G.L 30B).	Potential to be flexible and nimble. This will be determined by the state enabling legislation for a quasi-governmental body. May need to comply with municipal procurement law (M.G.L. 30B) (to be determined).	Least flexible, not nimble. Needs to comply with municipal procurement law (M.G.L. 30B), which is by design slower than private/non-profit transactions to allow for competition and requires lease approvals by the City Council for transparency.
Access to Private Funding	Eligible for most private funding sources. Can negotiate partnerships with private sponsors most easily, given independence from City.	Able to receive private funding.	Private funding limited . Must be accepted by City Council so process is also not nimble.
Access to Public Funding	Eligible for some public grants that are aimed at non-profits. Programming costs may be eligible for public subsidy, etc.	May be eligible for the widest array of public grants. Specifics to be determined by enabling legislation. May be able to access funding from multiple properties under trust's management for larger investments.	Eligible for government-specific grants, low interest loans, etc. from state/local governments. Can dedicate development fees to Armory at direction of Mayor/City Council via Arts and Creative Enterprise in-lieu payments, etc.
Use of City Budget for Operations?	Operations not part of the City budget . Access to City operational support would need to be determined in foundational documents and then subsequent negotiations with the City, i.e. does City still plow parking lot or maintain the grounds?	Operations may be included partially or wholly in the City budget. A Trust could be staffed by the City and have access to additional municipal resources, like legal support (similar to Somerville Redevelopment Authority, Affordable Housing Trust) but with potential to access outside resources for specific goals/purpose.	Operations are included in the City's budget. Department of Public Works staff could fulfill common area and exterior maintenance as they do today. Armory operations will be a line item in City budget, which tends to be stable year over year. Budget needs must compete with other priorities across the City.
Use of City Budget for Capital Projects?	Depends on length of a long-term lease with non-profit (10 year vs. 99 year) and the specifics of the negotiated contract. May remain part of Capital Improvement Plan (CIP) for major exterior and building systems - reliance on City CIP can mean long waits.	Capital investments would remain in the City's budget . The Armory would be part of the Capital Improvement Plan. Trust structure may be attractive to other quasi-governmental funding sources e.g. Community Preservation Committee or Mass Development.	Capital investments would remain in the City's budget . The Armory would be part of the Capital Improvement Plan. City operated buildings get priority over leased buildings in the Capital Improvement Plan prioritization process.
Economy of Scale	Must obtain/pay for all operational resources: payroll, contracts with suppliers, human resources, Employee benefits, custodial services, etc. Cannot benefit from City resources or procedures. This entity would be specific to the Armory.	Could access City resources for Human Resources, staff administration, finance, payroll, and contract services through existing municipal staff contacts. A Trust may have the ability to serve multiple buildings with similar missions and pool resources across them for more capital intensive investments.	Direct access to City resources including staff, equipment and administrative infrastructure for daily management, performance review, long term governance and stewardship. Could have ability to manage multiple municipal buildings with similar missions.