

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
January 23, 2018

To: Board of Supervisors

From: Office of Economic Development

Subject: Approval of 2018 Cultural Arts Awards Grant Program

Supervisory
District(s): All

Contact: Troy Givans, Director, Office of Economic Development, 874-2413

Overview

Sacramento County (County) and the City of Sacramento (City) provide funding to the Sacramento Metropolitan Arts Commission (SMAC) to advance community through arts and culture. SMAC provides grants to County arts organizations through its Cultural Arts Awards Program (CAA). CAA recipients receive grants for three years, with each organization receiving the same amount annually. CAA funding is approved each year. The Board approves the award amounts annually.

The 2018 CAA grants begin a new three year award cycle. The application process for 2018-20 began in April 2017. In September 2017, SMAC convened a peer review panel to review sixty-six applications. On November 28, 2017, SMAC selected 59 organizations to receive grants through the three-year CAA Program starting in 2018 and ending in 2020. Grants are funded from County Transient Occupancy Tax (TOT) in the annual amount of \$336,000 and City TOT in the annual amount of \$164,000 for a total annual amount of \$500,000 (Attachment 1). The City administers the CAA grantee contracts.

The Board approved an additional \$100,000 in the Approved Fiscal Year 2017-18 Budget to help fund SMAC administration. Recommended actions support approval of CAA grants.

Recommendations

Adopt the attached Resolution that:

1. Approves the first-year funding of 59 organizations for the 2018-20 Cultural Arts Awards Program; and
2. Approves \$336,000 of County funds to be distributed to 2018 Cultural Arts Awards grantees.
3. Authorizes the County Executive, or designee to execute an agreement with the City of Sacramento to transfer \$336,000 of County funds to the City of Sacramento for the Cultural Arts Award Program.

Measures/Evaluation

SMAC requires a report with the submission of all invoices that addresses the impact of the grant money on the organization and its arts programming. SMAC conducts site visits throughout the year to assess the health of the organizations and monitors contract compliance.

Fiscal Impact

The County's contribution of \$336,000 to the CAA Program is included in the 2017-18 Approved Budget. The City will contribute \$164,000 to the CAA Program. Grants are funded from County Transient Occupancy Tax (TOT).

Cultural Arts Awards:

County allocations for CAA	\$336,000
City allocations for CAA	\$164,000
2017-2018 Combined Total	\$500,000

BACKGROUND

The Sacramento Metropolitan Arts Commission (SMAC) provided the following Cultural Arts Awards (CAA) Program information:

In recognition of the importance of Sacramento's cultural heritage and to provide opportunities for the public to experience the arts, SMAC makes funding available to arts organizations and nonprofit organizations with arts programming through the CAA Program. Granted through a competitive review process, CAA grants assist with general operating expenses or project support to nonprofit arts and cultural organizations, government arts agencies, arts service organizations and community organizations with arts programming. Grantees must meet high standards of artistic quality, show evidence of community involvement and outreach and exhibit sound managerial and fiscal accountability. CAA funding provides organizations with crucial operating dollars and increases the quality of life in Sacramento through the support of public performances, exhibitions, festivals and major outreach programs for youths and disadvantaged populations.

CAA grantees:

- Include theater, music, visual arts, dance, arts service, folk of traditional arts, media, literary, film, multi-disciplinary and community-based organizations.
- Include multicultural and culturally specific groups such as Asian, Latino/ Hispanic, African-American and groups that serve disabled and economically disadvantaged communities.
- Conduct outreach programs targeting schools, senior citizens, and/or neighborhoods with limited cultural activities.

CAA Program highlights:

Information taken from the 2016 California Cultural Data Project profiles showed that the combined 2016 expenditures of the applicant arts and cultural organizations total \$52.8 million, making a significant impact on Sacramento County's economy:

- 3,365 full time equivalent jobs in Sacramento County are supported by the expenditures made by the applicant organizations and/or their audiences.
- \$5.4 million in local government revenue, defined as dollars received as a result of the expenditures made by organizations and/or their audiences. Revenue includes income, sales, lodging, real estate, license fees, utility fees, etc.
- \$79.5 million in household income.

DISCUSSION

The application process for the 2018-20 CAA grant cycle began April 28, 2017. During the application period Arts Commission staff produced two application technical assistance workshops and provided support to applicants as needed. The Arts Commission received sixty-six applications by the deadline. The applications were independently reviewed by a panel of arts and nonprofit experts who then met publicly on September 13–15, 2017 to score each application based on the information submitted. The panelists discussed, evaluated, and scored the applications jointly based on the review criteria outlined in the CAA Guidelines. Arts Commission staff was present during the panel to facilitate the conversation, but did not weigh in on scoring decisions. The panel recommended that fifty-nine applicants receive funding in the 2018-20 CAA cycle. The panel concluded that the seven lowest scoring applicants did not meet enough of the review criteria to merit funding. The organizations and grant amounts are listed in Attachment 1.

The grantees will retain the score given to them by this panel for all three years of the cycle. Award amounts for each year will be based on an organization's score, request amount and the total amount available to regrant. Grants are funded from County Transient Occupancy Tax (TOT) in the annual amount of \$336,000 and City TOT in the annual amount of \$164,000 for a total annual amount of \$500,000. The City will continue to administer the CAA grantee contracts. The Sacramento City Council approved funding for this program on January 9, 2018.

Grant awards in the second and third years are conditional on submission of a Mid-Cycle Report which SMAC uses to determine if a grantee should receive funding in the coming year. If a grantee does not receive funding in one year of the cycle, they may not be eligible for funding in subsequent years of that cycle. Staff analyzes the Mid-Cycle Reports to ensure contract compliance, identify general trends among the grantees and design initiatives to address organizational development needs where possible. The report details how funds were utilized, program activities, the current fiscal health of the organization, and artistic and administrative changes in the grant year. SMAC also conducts site visits throughout the year to assess the health of an organization as needed.

MEASURES/EVALUATION

SMAC requires a report with the submission of all invoices to assess the success of funding arts organizations. The report addresses the impact of the grant money on the organization and its arts programming. Second and third year funding is contingent on submittal of a Mid-Cycle report, compliance with contract requirements and funding availability. SMAC uses the Mid-Cycle Report to determine whether a grantee should receive funding in the coming year. The report details how funds were utilized, program activities, the current fiscal health of the organization, and artistic and administrative changes in the grant year. SMAC also conducts site

visits throughout the year to assess the health of an organization as needed.

FINANCIAL ANALYSIS

The County's contribution of \$336,000 to the CAA Program is included in the 2017-18 Approved Budget. The City will contribute \$164,000 to the CAA Program. Grants are funded from County Transient Occupancy Tax (TOT).

Cultural Arts Awards:

County allocations for CAA	\$336,000
City allocations for CAA	\$164,000
2017-2018 Combined Total	\$500,000

Respectfully submitted,

APPROVAL RECOMMENDED:

TROY GIVANS, Director
Office of Economic Development

NAVDEEP S. GILL
County Executive

Attachments:

Resolution
ATT 1 - 2018 Cultural Arts Award Recipient Organizations