

C-12

November 17, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute an agreement with the Public Corporation for the Arts of the City of Long Beach, Inc., a California nonprofit corporation, dba the Arts Council for Long Beach, in the amount of \$404,085, to fund arts and cultural activities, for a period of one year. (Citywide)

DISCUSSION

The City annually enters into an agreement with the Arts Council for Long Beach (Arts Council), to administer City funding for the promotion and development of community-oriented cultural activities and artistic programs. The cultural and artistic programs help bring the diverse Long Beach community together and enhance civic pride. Through this funding from the City, the Arts Council has provided financial support and assistance to over 100 local arts organizations and more than 1,000 area artists, with the objective of making arts and culture available to all residents of Long Beach.

On September 8, 2020, the City Council adopted the Fiscal Year 2021 (FY 21) Budget, which includes \$404,085 for the Arts Council agreement. City Council approval is requested to enter into a one-year agreement with the Arts Council for the budgeted amount of \$404,085. In FY 21, the Arts Council will utilize the City's assistance to fund a community arts grant program in the amount of \$164,785. The remaining \$239,300 will be used to fund general operations of the Arts Council.

The annual agreement includes terms and conditions for administering the Percent for the Arts program to ensure the Arts Council remains in compliance with the City's Percent for the Arts Policy. The Percent for the Arts payment to the Arts Council is paid separately and is in addition to the funding support provided by the annual agreement, and based on 1 percent of actual fees assessed on the previous year's eligible CIP projects.

The \$404,085 contract amount represents a decrease of \$25,215 in structural financial support from the FY 20 level. This decrease is due to the significant loss of General Fund Group and Special Advertising and Promotions Fund Group revenues during the COVID-19 pandemic. This reduction has been fully offset in FY 21 by a one-time increase in funding in the amount of \$150,000 made possible by the allocation of \$40.2 million in CARES Act funds provided from the State of California. These funds will support the Arts

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Council working capital expenses, staffing, and microgrants to local artists and arts organizations. In addition, CARES Act funds have allowed the City to provide \$1,350,000 in grants to local large arts organizations to support the arts sector during COVID-19. The additional one-time funds for the arts will be managed through a separate agreement with the Arts Council.

This matter was reviewed by Deputy City Attorney Amy R. Webber on October 15, 2020 and by Budget Analysis Officer Julissa José-Murray on October 23, 2020.

TIMING CONSIDERATIONS

City Council action is requested on November 17, 2020, to proceed with the agreement with the Arts Council.

FISCAL IMPACT

The total amount of the one-year agreement is \$404,085, which is budgeted in the Special Advertising and Promotions Fund Group in the City Manager Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation is anticipated to result in a positive local job impact.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



THOMAS B. MODICA
CITY MANAGER