



# CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (562) 570-6711 • FAX (562) 570-6583

GERALD R. MILLER  
CITY MANAGER

October 5, 2004

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

**SUBJECT:** Agreement With the Public Corporation for the Arts of the City of Long Beach, Inc., to Fund Arts and Cultural Activities (Citywide)

## DISCUSSION

The City annually enters into an agreement with the Public Corporation for the Arts of the City of Long Beach, Inc. (PCA) to administer funding for the promotion and development of community-oriented cultural activities and artistic programs. These cultural and artistic programs help bring the diverse Long Beach community together and enhance civic pride. The PCA 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 7, 2004, the City Council adopted the Fiscal Year 2004-2005 (FY 05) Budget, which included a \$600,000 appropriation for these activities. Pursuant to the Three-Year Financial Strategic Plan (Plan), this year's proposed funding is \$50,000 less than the FY 04 budget. Therefore, City Council approval is requested to enter into a one-year agreement with the PCA in the amount of \$600,000. In FY 05, the PCA will utilize the City's assistance to fund a community arts grant program (\$300,000), administration and operational costs (\$270,000), and to support the popular Smithsonian Week educational activities (\$30,000). The funding sources for this agreement include the General Fund (\$450,000) and the Special Advertising and Promotions Fund (\$150,000).

As noted above, the proposed funding for the PCA agreement has been reduced by \$50,000 from FY 04 (\$650,000). The City's agreement with the PCA was to be reduced by \$300,000 in FY 05, however, on June 15, 2004, the City Manager provided an update to the Plan, which included a deferral of \$250,000 of that reduction from FY 05 to FY 06. The Community Arts Funding Strategy Task Force, composed of 19 members from throughout the diverse Long Beach arts and culture community, recommended this deferral, in addition to a number of other strategies for a long-term funding strategy for the arts. The deferral in arts reductions is intended to allow the arts

HONORABLE MAYOR AND CITY COUNCIL

October 5, 2004

Page 2

community one additional year to focus their collective efforts on strategies to fund the arts. Two such funding recommendations included a dedicated Transient Occupancy Tax and Admissions Tax. An *ad hoc* City Council committee has been convened to fully analyze the Task Force recommendations, which were presented to the City Council on May 18, 2004.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin and Budget Management Officer David Wodynski on September 28, 2004.

TIMING CONSIDERATIONS

The proposed agreement will make the PCA funding, appropriated by the City Council in the Fiscal Year 2005 Adopted Budget, available for payment. Accordingly, action is requested at the October 5, 2004 City Council meeting.

FISCAL IMPACT

The total amount of the one-year agreement is \$600,000 and is budgeted in the General Fund (GP) and the Special Advertising and Promotions Fund (SR 133) in the City Manager Department (CM).

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute an agreement with the Public Corporation for the Arts of the City of Long Beach, Inc. in the amount of \$600,000, to fund arts and cultural activities for a period of one year.

Respectfully submitted,



GERALD R. MILLER  
CITY MANAGER