



City of San Antonio

Agenda Memorandum

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In Control: City Council B Session

DEPARTMENT: Human Services and Arts & Culture

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

Briefing for FY 2022 - 2023 Human Services Consolidated Funding Process and Arts Core Grant Funding.

SUMMARY:

This item provides an overview of the Human Services Consolidated Funding and Arts Core Grant Funding process. Additionally, staff will brief City Council on the timeline for the FY 2022 - FY 2023 funding cycle, planned process improvements, and policy action for City Council input.

Once responses are received and reviewed, staff will return to provide another presentation and recommendation for awards.

BACKGROUND INFORMATION:

Human Services Consolidated Funding

The City's consolidated funding process aims to direct investments toward providing effective and comprehensive social services, maximizing human services outcomes, advancing community equity principles and increasing nonprofit service provision coordination to avoid duplication of services.

The programs funded in the FY 2021 Consolidated Funding Process (CFP) reflect City Council priorities of promoting long-term and short-term children and youth, family safety and stability, homeless, older adult, and workforce development services through support of community prevention and intervention programming. The programs funded in FY 2021 specifically complement the direct services offered by the City Departments of Human Services and Economic Development. A total of \$24.3 million was allocated in FY 2021 to 60 agencies and 90 programs from the general fund (\$20.6 million) and federal grants (\$3.7 million).

The City has partnered with nonprofit social service agencies since 1979. Starting in 2005, the Human Services (DHS) and Economic Development (EDD) Departments have issued a two-year Consolidated Request for Proposal (RFP) for Human and Workforce Development services. This two-year consolidated funding cycle streamlines the application process for eligible agencies and facilitates the contract monitoring process. The Mayor and City Council provide staff with policy direction to guide funding recommendations for each biennial period. Awarded agencies receive a one-year contract with the option to renew for one additional year based on performance and funding availability.

The FY 2022 - FY 2023 Consolidated Funding Process is proposed to continue funding towards short and long-term human services outcomes. Funding traditionally dedicated to Workforce Development Services is recommended to be issued through a separate competitive process by the Economic Development Department as part of a consolidated proposal focused on support for City of San Antonio workforce initiatives.

Arts Core Grant Funding

Since 2016, the Department of Arts & Culture developed components of its Cul-TÚ-Art Cultural Plan, a coordinated planning document to guide investments in the arts to provide equitable opportunities that encourage San Antonio's arts community, residents, and visitors to thrive in a culturally inclusive environment. The eight individual strategic plans included in the Cultural Plan are: Film (2017), Centro de Artes (2017), Core Grants, formerly Arts Agency Funding (2018 updated in 2020), Public Art (2018), Music (2019), Cultural Districts (2019), Performing Arts (2020) and Individual Artists (2020). The San Antonio Arts Commission serves as the steering committee for the Cul-TÚ-Art Cultural Plan.

The Department of Arts & Culture distributes funds to local non-profit arts organizations to enrich the quality of life in San Antonio for residents and visitors. The funds distributed through the Core Grants process comes from Hotel Occupancy Tax (HOT). By state law, up to 15% of the local HOT collections can be utilized to fund arts and cultural activities. In April 2020, the City suffered losses in HOT collections due to COVID-19. The Department of Arts & Culture implemented a 20% reduction in FY20 contracts to arts agencies at mid-year. When the federal government authorized the CARES Act funding for the City of San Antonio, City Council authorized \$2.6 million to be allocated specifically for the arts to help non-profit arts agencies and individual artists whose businesses were impacted due to closures related to COVID-19 under the City's COVID-19 Community Recovery and Resiliency Plan. The Department of Arts & Culture developed and implemented the SA CARES 4 Art relief grant program under this plan and awarded \$2 million in federal funds to non-profits arts agencies and \$600,000 in federal funds for emergency relief to individual artists. While revenues in the HOT remained sluggish into the new fiscal year, City Council approved \$1.6 million in General Fund in FY21 to be provided to arts agencies for the third year of the 3-year Arts Funding Cycle to help supplement reduced revenues in the HOT.

ISSUE:

This item provides an overview and timeline of the Human Services Consolidated Funding Process and Arts Core Grants Program, including a history of funding and an overview of the services and programs. The item also includes a timeline of events for the FY 2022 - FY 2023 funding cycle, process improvements, and policy action for City Council input.

In 2020, City Council adopted new Guidelines replacing the Arts Agency Funding Guidelines with the Core Grants Program that would initiate a new 3-year funding cycle beginning in FY22. These grants are aimed to support a diverse portfolio of art organizations and artists working across the City of San Antonio in the production of on-going, sustainable, high quality artistic activities. The Core Grant funding programs included minor revisions to Base Operational Support, Culturally Specific Support, and Artist Re-Granting programs. The Agency Capacity Building program was discontinued, and the funding allocated previously to that program will be recommended to be awarded to individual artists for new art projects in FY22. The former "Festivals Grant" program was expanded to include other arts and cultural events and renamed the "Events Grants" program and is intended to provide funding to support in-person events.

The Department of Arts & Culture is currently managing the application processes for the Core Grants with the timeline for these grants as follows:

- Base Operational & Culturally Specific is a combined application and was open January 19, 2021 with applications due May 4, 2021.
- Artist Re-Granting will open March 30, 2021 and is due May 4, 2021.
- Project Grants for Individual Artists will open March 8, 2021 and is due June 7, 2021.

The Department of Arts & Culture is recommending postponing implementation of the new "Events Grants" application until next year. Live events for this coming year may be difficult to plan due to continued closures related to COVID-19 as well as low projected revenue for the HOT. Staff will include a recommendation in the FY22 budget to only renew existing festivals grants and open a Request for Applications for Events Grants in spring 2022.

All contracts will begin in FY22 and authorization / funding will be included for adoption by City Council in the FY22 Budget. The San Antonio Arts Commission (SAAC), appointed by the Mayor and City Council, oversees the Art Agency Funding Process. Their role is to advise, review and make final funding recommendations for City Council consideration based on the adopted guidelines. The San Antonio Arts Commission's Arts Funding Committee provides recommendations to the San Antonio Arts Commission on evaluation panelists, reviews eligible appeals, and develops the preliminary funding recommendation for SAAC consideration. Both the Committee and the Commission hear appeals.

ALTERNATIVES:

The Department of Arts & Culture recommends postponing implementation of the new Events Grant program until FY23. Should the City Council not support this recommended delay, the Department of Arts & Culture will issue its Events Grants Request for Application to be awarded in FY22 with the budget.

FISCAL IMPACT:

There is no fiscal impact with this briefing item.

RECOMMENDATION:

Staff recommends moving forward with its timeline to secure new applications for the Arts Core Grants for the FY2022-2024 three-year funding cycle with the exception of postponing the Events Grants Program Request for Applications until spring 2022 to allow organizations more time to plan for events post COVID-19 and to continue the currently funded Festivals grants to be recommended in the FY2022 budget process.