



City of San Antonio

Agenda Memorandum

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In Control: Audit Committee

CITY OF SAN ANTONIO
DEPARTMENT FOR CULTURE & CREATIVE DEVELOPMENT
AUDIT COMMITTEE
INTERDEPARTMENTAL MEMO

TO: Sheryl Sculley, City Manager

FROM: Debbie Racca-Sittre, Interim Director, Department for Culture & Creative Development

COPY:Audit Committee; Lori Houston, Assistant City Manager; Ben Gorzell Jr., CPA, Chief Financial Officer; Troy Elliott, CPA, Director, Finance; Kevin Barthold, City Auditor

SUBJECT: Post-Solicitation Briefing for FY2017 Art Agency Funding

DATE: June 21, 2016

The Department for Culture and Creative Development has historically distributed funds to local non-profits arts organizations through a competitive funding process in order to further artistic excellence and public awareness of the role arts play in San Antonio. The funding distributed through this process comes from the Hotel Occupancy Tax (HOT) funds. Texas state law authorizes 15% of HOT funds for the encouragement, promotion, improvement, and application of the arts. In May 2014, City Council adopted the current Art Funding Guidelines which were utilized to develop the FY 2015 and FY 2016 contracts. The same guidelines are being used for the FY 2017 process.

In accordance with the Art Funding Guidelines, the Art Funding Process supports four distinctive competitive program categories. The Cultural Arts Operational funding category is the largest program and provides funding in a two year cycle to local non-profit arts agencies in San Antonio for Community Based Organizations' art programming, Live Performances and Museums. The other three categories are awarded on an annual basis: Festivals and Community Celebrations, Artist Re-granting (supporting artist development projects) and stART Place (neighborhood projects). Each funding category includes its own set of eligibility and review criteria as well as funding requirements.

The Request for Art Funding Applications was advertised on February 1, 2016 in the San Antonio Current, the Rivard Report, in the DCCD newsletter and on the City's Website. Each applicant was required to attend a mandatory funding application workshop. The Department hosted 29 application workshops which 236

organizations/artists attended. This year, applications were accepted electronically through a special Grants Management System which is used by both the Texas Commission for the Arts and the National Endowment for the Arts. On April 1, 2016, the City received 84 applications.

Staff performed a cursory review of the applications for eligibility and found two applications to be ineligible and two needed to be moved to a different category which staff is allowed to do under the Guidelines. A seven member Evaluation Panel (one Art Funding Committee Member and six national state and local experts) reviewed and scored each eligible application during a Panel Review Session based on the following criteria:

- Artistic / Cultural Excellence (50 points);
- Community Engagement & Audience Development (35 points); and
- DCCD staff reviews Financial Position & Administrative Capacity (15 points).

The Panel Review Sessions were held on May 19, 20, and 21, 2016 and were open to the public. Applicants attended the meetings and observed the proceedings. Applicants received their scores and preliminary funding recommendations based on no increase in HOT revenues on May 31, 2016 and were provided with an opportunity to address the San Antonio Art Commission's (SACC) Art Funding Committee on June 4, 2016. The full SACC will make its final funding recommendations in July 2016.

This item is scheduled for Council consideration as a part of the City Manager's Proposed FY2017 Budget.