Title: Reallocate Arts Stabilization Carryover and Establish a Cultural and Economic Vitality Program

Location: County and City of Sacramento

Recommendation: Pass a Resolution authorizing the City Manager or the City Manager’s designee to: 1) establish the Cultural and Economic Vitality Program (I17001000) multi-year operating project (MYOP); 2) release $188,724 in General Funds from the commitment of fund balance for Arts Stabilization and establish an expenditure budget in I17001000; 3) release $130,444 in General Funds from the commitment of fund balance for Arts Stabilization and increase the expenditure budget in the Art in Public Places Maintenance Program (I17000500); 4) transfer $100,000 in General Funds from the Citywide and Community Support budget for Arts Stabilization to I17000500; and 5) repeal City Council Resolutions 2002-395 and 2011-114.

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Presenter: None

Attachments:
1-Description/Analysis
2-Resolution
Description/Analysis

**Issue Detail:** The Arts Stabilization program began in 1999 to strengthen the arts community and nonprofit arts organizations. The program provided support and technical assistance to arts and cultural organizations in Sacramento County, artists and arts groups in the areas of marketing, business and financial planning, board and staff development and professional development.

The current balance committed to Arts Stabilization is $319,168, which includes County funding set aside for Art in Public Places (APP). This report recommends that the committed fund balance of $319,168 for Arts Stabilization be eliminated and available resources be transferred to the Cultural and Economic Vitality Program and the APP Maintenance Program. Additionally, this report recommends an additional transfer of $100,000 in General Funds from the Citywide and Community Support budget for arts stabilization to the APP Maintenance Program.

The following summarizes the arts programs and funding recommendations:

- **$188,724 to the new Cultural and Economic Vitality Program (I17001000) -** This program will be used to expand the Sacramento Metropolitan Arts Commission’s (“Arts Commission”) programs to include community outreach programs, arts marketing, creative placemaking and neighborhood arts programs.

- **$230,444 to the existing APP Maintenance Program (I17000500) -** This program is used to conserve, maintain and repair more than 650 public artworks in the City’s Public Art Collection.

The allocation of the existing commitment of funds and transfer from the Citywide and Community Support budget will provide for better transparency, management, and utilization of funds.

Finally, the original resolutions (Resolution 2002-395 and 2011-114) authorizing various actions including transfer of funds to the commitment of the Arts Stabilization fund balance are no longer necessary and staff is recommending that they be repealed.

**Policy Considerations:** The recommendation is consistent with establishing a MYOP per Budget Resolution 2016-0216, Sections 13.1(4), 13.2, and 13.3.

**Economic Impacts:** Not applicable
Environmental Considerations:

**California Environmental Quality Act (CEQA):** The report does not constitute a “project” and is therefore exempt from the CEQA [CEQA Guidelines Sections 15061(b)(3);15378(b)(2)].

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** County funding for the APP program has historically been allocated to the Arts Stabilization (80001065). However, by moving the Arts Stabilization funds to the APP Maintenance Program (I17000500), which provides for all APP maintenance, collection management, and administration, the City will have better oversight, management, and transparency.

**Financial Considerations:** The current balance of the Arts Stabilization commitment is $319,167, which includes County funding set aside for Art in Public Places (APP). This report recommends that the commitment of the Arts Stabilization fund balance be eliminated and available resources be transferred to the Cultural and Economic Vitality MYOP and the APP Maintenance MYOP. Additionally, a transfer of $100,000 in General Funds is requested from the Citywide and Community Support budget for arts stabilization to the APP Maintenance Program.

**Local Business Enterprise (LBE):** None.
RESOLUTION NO. 2017-
Adopted by the Sacramento City Council

REALLOCATION OF THE ARTS STABILIZATION CARRYOVER AND
ESTABLISHMENT A CULTURAL AND ECONOMIC VITALITY PROGRAM

BACKGROUND

A. The City’s Arts Stabilization program began in 1999 in an effort to strengthen the arts community and nonprofit arts organizations.

B. For better transparency, City staff requested that the Arts Stabilization committed fund balance be reallocated to multi-year operating projects.

C. Establishing a multi-year operating project (MYOP) is necessary to account for funds for the Cultural and Economic Vitality program, which cultivates, promotes, and grows the local creative economy.

D. Resolutions 2002-395 and 2011-114 include various actions including authority to commit General Fund resources for Arts Stabilization. As these Resolutions are no longer necessary, it is recommended they be repealed.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The Cultural and Economic Vitality Program (I17001000) multi-year operating project (MYOP) is established.

Section 2. A $188,724 General Fund expenditure budget in I17001000 shall be established with a release from the commitment of fund balance for Arts Stabilization.

Section 3. The General Fund expenditure budget in the APP Maintenance Program (I17000500) shall be increased by $130,444 with a release from the commitment of fund balance for Arts Stabilization.

Section 4. The General Fund expenditure budget in I17000500 shall be increased by $100,000 with a transfer from the Citywide and Community Support budget for Arts Stabilization (80001065).

Section 5. Resolutions 2002-395 and 2011-114 are repealed.