



Agenda Report

November 23, 2020

TO: Honorable Mayor and City Council
FROM: Department of Planning & Community Development
SUBJECT: PASADENA ARTS & CULTURE RELIEF GRANT PROGRAM AWARDS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Approve the recommendations for the Pasadena Arts & Culture Relief Grant awards as listed in this report and;
3. Recognize and appropriate \$50,000 from Pasadena Community Foundation to the Fiscal Year 2021 Planning and Community Development Department's Operating Budget, account 61321002-815300, to provide additional funding for the Pasadena Arts & Culture Relief Grant Program, as described in the Background section of this report.

BACKGROUND:

In recognition of the severe impacts that the Covid-19 pandemic and subsequent Public Health orders have had on the local arts and cultural sector, the City Council approved the creation of the Pasadena Arts & Culture Relief Grant Program with related funding of \$500,000 on September 14, 2020. Most of these organizations had planned funded public programming which necessitated immediate cancellation or postponement. While some were able to move programming to a virtual platform to engage audiences, few if any were able to monetize these programs. Unlike retail and commercial businesses, these organizations and institutions were unable to provide take-out or drive by programming to subsidize their loss of revenues.

Although some organizations received private donations in lieu of refunds for paid ticketed events, many organizations refunded monies with no envisioned reschedule date(s), further impacting their fiscal viability. As a result, some Pasadena organizations have temporarily halted operations entirely, while others have downscaled by implementing staff furloughs and or layoffs. And yet, many are still obligated for facility related expenses, insurance, etc. and have restrictions on the use of cash assets.

Other Arts Relief Funding

Both national and regional response to the Covid-19 pandemic have resulted in several efforts intended to provide some funding in the form of “relief” grants to arts and cultural organizations and a few to individual artists. Most recently, these include reallocation of federal CARES Act funding by the Los Angeles County Department of Arts & Culture and the Long Beach Arts Council. The City of Santa Monica, which, like Pasadena, did not meet the population size criterion for CARES Act funds also developed an arts recovery grant program from their Cultural Trust Fund.

In addition, some arts and culture organizations were able to secure PPP loans; some of their employees who had been laid off were eligible to receive unemployment monies. Nevertheless, the severity of the lack of in-person programming continues to stifle these organizations from earned revenues.

Pasadena Arts & Culture Relief Grant Program Overview

In response to our local arts economic impact, the Pasadena Arts & Culture Relief Grant Program was developed to provide direct operating support to eligible Pasadena-based non-profit arts and culture organizations through a one-time grant that is based on demonstrated need as determined through a review process. The program utilizes a modified Annual Grants Program review process overseen by the Cultural Affairs division that includes a simplified application, a review by a Panel comprised of individuals with subject matter expertise, and a simplified scoring and award allocation process. The peer panel review process has long been established at the national, regional and local arts funding level and has been a fixture of the City’s Annual Grants Program for well over twenty years.

The program’s stated maximum request amount per applicant was determined to be \$20,000 for the Arts & Culture Relief Grant Program based on the allocated budget of \$500,000 from the City’s Cultural Trust Fund. Award amount considerations were made on a sliding scale based on the requested amount of aid, demonstrated need and consideration of assets. All recommended awardees must provide a subsequent report which documents how the award funds have been applied by January 31, 2021.

Program Guidelines and Criteria

Eligibility Criteria: All applicants must have met the criteria for award consideration, including:

- Have an identified and demonstrable financial need for immediate operating support based on Covid-19 impacts;
- Be a Pasadena-based (as defined in the Annual Grants Program Guidelines), federally designated, non-profit arts or cultural organization;
- Operate in compliance with the City's Codes and Ordinances; and
- Have been active within the City and have held at least one public program in the City during 2018-2019.

Applicants were required to complete an application which outlined their eligibility, need, and the amount of their funding request (not to exceed the stated maximum). Documentation was to be provided. Fiscally-sponsored arts or cultural organizations were to be considered.

Award Consideration

To be consistent with the City's Annual Grants Program review process, applications were to be reviewed by a Panel with subject matter expertise in the areas of non-profit arts and culture.

There were two types of defined considerations per the Program Application for both actual and projected losses and expenses from mid-March through December of 2020: COVID-19 related loss of revenue and COVID-19 expenses, including costs associated with implementation of a virtual format and purchase of PPE.

Considerations included assets (including endowments and restricted funds) and liabilities; the estimated loss of revenue due to cancelled events and performances; the extent to which, if any, a virtual format had been utilized and the associated costs; and the degree of personnel impacts (layoffs and or furloughs). Ineligible expenses included those that had been previously or were anticipated to be reimbursed through other sources.

Initial scores were to be applied according to a point system:

- 1-3 points: Not recommended for funding
- 4-6 points: May be recommended for funding, for discussion
- 7-10 points: Recommended for funding

Program Budget

As a result of several staff discussions with the Pasadena Community Foundation, the Foundation generously awarded \$50,000 to the City to support the Arts Relief Grant Program. These funds are intended to supplement the \$500,000 Council approved Cultural Trust Fund budget, resulting in a revised fund of \$550,000.

Pasadena Arts & Culture Relief Grant Program Implementation

Program Notification and Outreach

The Guidelines and Application for the Pasadena Arts & Culture Relief Grant Program were released on October 5, 2020. All past organizational Annual Grants Program awardees and applicants for the past 3 fiscal years were notified via email. Additional email notifications were sent to via other email lists, including that of the Cultural Affairs division and the Arts & Culture Commission. A press release was issued on October 12, 2020, which garnered additional press coverage. Both the Application and Guidelines were posted on the Cultural Affairs division webpage.

A virtual Technical Assistance Workshop was conducted on October 13, 2020 to review the program Guidelines and Application as well as to answer questions from potential applicants. A total of 16 organizational representatives attended the workshop. Questions posed during the meeting and subsequent questions received via email were posted on the Cultural Affairs division webpage to ensure that all potential applicants could review the responses.

Application Review

A total of 30 of applications were received by the October 19, 2020 deadline. Staff reviewed all applications for completeness and eligibility. Three applicants were determined ineligible based on the published criteria. Of the remaining 27 deemed eligible, 25 are previous awardees of the City's Annual Grants Program.

Staff convened the Selection Panel, comprised of subject matter experts with a wide degree of experience with non-profit arts and culture at the local and regional level. Consistent with the Annual Grants Program reviews, panelists were provided with application materials and completed conflict of interest forms in advance of the review. All panelists were advised that the content of the applications, discussions and scores were to remain confidential.

Staff presented an analysis of required scoring criteria based on a review of the eligible applications to facilitate Panel discussion and review. Considerations included published criteria for actual and projected losses and expenses during the stated timeline. Panelist scores for each application were totaled and an average score used for funding recommendations.

Scoring and Funding Recommendations

Using the average Panel score for each application based on the total program budget of \$550,000, staff developed the following recommendations for funding. Many applicants reported estimated losses and costs of virtual programming (EL/CVP) that exceeded the maximum request of \$20,000. Because Covid-19 related losses and expenses were the major criteria for Panel scores, the following award recommendation

framework was developed to equitably reflect each applicant's demonstrated Covid-19 impact and the amount of their funding request based on Panel scores:

Average Scores:

- **7.0-7.4:** Recommended to receive the amount of their EL/CVP.
- **7.5-8.0:** Recommended to receive the amount of the funding request.
- **8.1-9.0:** (1) Recommend those organizations with EL/CVP not exceeding their funding request receive the amount of their request. (2) Recommend those organizations with EL/CVP exceeding their funding request receive their request plus an additional 15.7%, or an amount equal to their EL/CVP whichever is less.
- **9.1-10.0:** (1) Recommend those organizations with EL/CVP not exceeding their funding request receive the amount of their request. (2) Recommend those organizations with EL/CVP of \$20,000-\$644,999 receive their funding request plus an additional 30%. (3) Recommend those organizations with EL/CVP of more than \$645,000 receive their funding request plus an additional 41%.

Funding Recommendations

Staff recommends the following award amounts based on Panel scores:

Organization	AVERAGE SCORE	Amount considered for funding	Recommended funding
The Gamble House Conservancy	10.0	\$10,440	\$14,720
Kidspace Children's Museum	10.0	\$20,000	\$28,200
Pasadena Museum of History	10.0	\$19,140	\$24,882
Makoto Taiko	10.0	\$20,000	\$26,000
Armory Center for the Arts	10.0	\$20,000	\$28,200
Ta'Yer	10.0	\$11,000	\$11,000
Theatre Americana	9.8	\$ 1,500	\$ 1,950
Pasadena Playhouse	9.8	\$20,000	\$28,200
A Noise Within	9.8	\$20,000	\$28,200
Boston Court Pasadena	9.8	\$20,000	\$26,000
Remainders Creative Reuse	9.8	\$20,000	\$26,000
Pasadena Community Orchestra	9.3	\$ 8,100	\$10,530
MUSE-IQUE	9.0	\$20,000	\$23,140
Pasadena Society of Artists	9.0	\$ 6,500	\$ 6,850
Fulcrum Arts	9.0	\$20,000	\$23,140
Pasadena Heritage	9.0	\$10,000	\$11,570
Parson's Nose Productions, Inc.	9.0	\$20,000	\$23,140
Pasadena Symphony Association	9.0	\$20,000	\$23,140
About Productions	8.8	\$20,000	\$23,140

Los Angeles Children's Chorus	8.8	\$20,000	\$23,140
Light Bringer Project	8.8	\$19,614	\$19,614
Side Street Projects	8.7	\$20,000	\$23,140
Lineage Performing Arts Center	8.7	\$20,000	\$23,140
Pasadena Conservatory of Music	8.0	\$20,000	\$20,000
California Art Club	7.8	\$20,000	\$20,000
Floricanto	7.0	\$18,949	\$18,949
Red Hen Press	7.0	\$14,000	\$14,000

Total Recommended Award Amount: \$549,985.

COUNCIL POLICY CONSIDERATION:

The proposed Arts & Culture Relief Grant Program is in alignment with City Council's Strategic Planning Goal to support and promote the quality of life and the local economy.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The establishment of a Pasadena Arts & Culture Relief Grant Program constitutes the creation of government funding mechanism that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The cost of this action will be \$549,985 from the Cultural Trust Fund, of which \$500,000 was previously appropriated by City Council.

Respectfully submitted,



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Director

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Department

Prepared by:



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STEVE MERMELL
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