



City of Culver City

Staff Report Details (With Text)

File #: 16-339 **Version:** 1 **Name:** Potential Reorganization of the Cultural Affairs Foundation and Acceptance of Funds

Type: Minute Order **Status:** Action Item

File created: 10/17/2016 **In control:** City Council Meeting Agenda

On agenda: 10/24/2016 **Final action:**

Title: CC - (1) Discussion and Direction to the City Manager Regarding Potential Reorganization of the Culver City Cultural Affairs Foundation; (2) (If Desired), Formation of an Ad Hoc Subcommittee Focusing on Revising the Structure of the Culver City Cultural Affairs Foundation; and (3) Acceptance of \$10,000.00 in Funds from the Culver City Cultural Affairs Foundation to Support the Technical Enhancement of Veterans Memorial Auditorium and \$17,725.00 from the Culver City Cultural Affairs Foundation to Support the 2016 Boulevard Music Summer Festival.

Sponsors:

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Attachments:

Date	Ver.	Action By	Action	Result
10/24/2016	1	City Council Meeting Agenda		
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Meeting Date: October 24, 2016

Contact Person/Dept: B. Christine Byers / Cultural Affairs Division

Phone Number: (310) 253-6003

Fiscal Impact: Yes No **General Fund:** Yes No

Public Hearing: **Action Item:** **Attachments:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (10/19/16); (E-Mail) Meetings and Agendas - Cultural Affairs Commission (10/19/16); (E-Mail) Cultural Affairs Commission and Cultural Affairs Foundation Board (10/18/16);

Department Approval: Serena Wright-Black, Administrative Services Director (10/18/16)

RECOMMENDATION

Staff recommends the City Council (1) consider the recommendations of the Cultural Affairs Commission (CAC) and Culver City Cultural Affairs Foundation (CAF) Board, together with public input, regarding potential reorganization of the CAF and, as deemed appropriate, provide direction to the City Manager; (2) (If desired) form an Ad Hoc Subcommittee to focus on revising the structure of the CAF, including development of revised bylaws and a draft MOU with the City; (3) accept \$10,000.00 in funds from the CAF to support the technical enhancement of Veterans Memorial Auditorium; and, (4) accept \$17,725.00 in funds from the CAF to support the 2016 Boulevard Music Summer Festival.

BACKGROUND/DISCUSSION

Potential Reorganization of the Culver City Cultural Affairs Foundation

At the May 17, 2016 regular Cultural Affairs Commission (CAC) meeting, Mayor Clarke addressed the CAC about the need to evaluate the structure of the Culver City Cultural Affairs Foundation (CAF) and whether the CAF could better fulfill its mission if operating as a separate entity from the City, similar to that of the Culver City Education Foundation. The CAC agreed by majority consensus to bring this item back at a future date for further discussion.

Pursuant to a memorandum dated July 9, 2016 from Mayor Clarke to the City Manager, at its meeting on July 11, 2016, the Council agreed to have an item placed on a future agenda pertaining to the potential reorganization of the CAF. This item was scheduled for Council consideration in late October so as to allow sufficient time for both the CAC and CAF Board to discuss the issue and forward comments and a recommendation.

The CAC considered the item for the first time at its regular meeting on August 16, 2016. Mayor Clarke and CAF Board members Celeste Anlauf, Robert (Bob) Cicchini, Ashley Rodgers and Brenda Williams attended the meeting. Mayor Clarke provided public comment as well as copies of the CAF's current bylaws with revisions for CAC consideration. Ms. Anlauf and Ms. Rodgers also provided comment, as did former Cultural Affairs Commissioner and CAF Board Member Marla Koosed.

After some deliberation, the CAC made a motion requesting the item be brought back for further consideration at its regular meeting on September 20, 2016 and that the agenda item title allow for formation of an ad hoc subcommittee should the CAC deem this necessary. Following the CAC meeting in August, staff forwarded copies of MOUs and bylaws to the CAC for the following: Culver City Centennial Celebration Committee (MOU), the Culver City Sister City Committee, Inc. (MOU), Santa Monica Arts Foundation, Inc. (Bylaws), and the Whittier Cultural Arts Foundation (Bylaws).

On September 20, 2016, the CAC moved to:

Recommend that the CAF reorganize as a private non-profit with a Memorandum of Understanding (MOU) with the City, and that the CAC be a part of the development of the draft MOU and revised bylaws.

Moved by Chair Dickter, seconded by Commissioner Pali
Motion carried 4 ayes (Vice Chair Cherry was not present at the meeting)

The CAC opted to defer formation of a subcommittee until the City Council had considered the item and provided further direction.

The CAC's recommendation of September 20, 2016 was forwarded to the CAF Board at its regular meeting on September 21, 2016. After consideration of the information provided by staff, input from CAF Board members, Mayor Clarke (who attended the CAF Board meeting), and the CAC's recommendation, the CAF Board made the following two motions:

1. Recommend the City Council explore the possibility that the CAF operate as a separate entity, and under an MOU between the Cultural Affairs Foundation and the CAC, and that Board Members participate in a joint subcommittee to review this issue with members of the City Council and the CAC for the development of the work plan, bylaws and the MOU.

Moved by Member Williams, seconded by Member Dickter
Motion carried 6 ayes (Member Cicchini was not present at the meeting)

Cultural Affairs Division staff notes that with regard to the CAF Board's motion, technically an MOU would be between the CAF and the City and not the CAC.

2. Create an ad-hoc subcommittee and appoint Chair Anlauf, Vice Chair Rodgers, and Member Williams to that subcommittee.

Moved by Vice Chair Rodgers, seconded by Chair Anlauf
Motion carried 6 ayes (Member Cicchini was not present at the meeting)

It should be noted that a joint subcommittee consisting of two Council Members and/or two CAF Board members and/or two CAC members would be subject to the Brown Act.

Acceptance of Funds from the CAF

The CAF was established as a non-profit organization in 2006 with the mission of promoting and supporting the visual arts, performing arts, and the historic preservation programs of the City of Culver City by coordinating and actively pursuing outside funding sources for those programs.

Article II, Section 4 of the CAF's Bylaws (Bylaws) provide the following:

"Whenever the Foundation receives any money, in cash, check or otherwise, it shall, as soon as possible, disburse that money to the City for use by the City, as determined appropriate by the majority of the members of the City Council of Culver City (the "City Council"), for the City's cultural affairs programs, including the administration of such programs and the operation of the Foundation. Whenever the Foundation receives any other asset, it shall, as soon as possible, convey ownership and possession of that asset to the City for use and disposition by the City, as determined appropriate by a majority of the members of the City Council for the City's cultural affairs programs, including the administration of such programs and the operation of the Foundation."

At its September 21, 2016 meeting, the CAF Board approved the transmittal of a total of \$27,725.00 to the City [the CAF Board was given the amount received up to that date in sponsorship donations for the 2016 Summer Concert Series with the note that additional funds may be forthcoming]. This sum represents money from the following sources:

1. A \$10,000 bequest received in July from the estate of Sydney Kronenthal specifically to offset costs associated with technical upgrades to the Veterans Memorial Auditorium stage; and,
2. \$17,725.00 in sponsorship raised by Mr. Gary Mandell, producer of the 2016 Boulevard Music Summer Festal. (As was the case in 2015, sponsorship donations for the 2016 Culver City Summer Concert Series / Boulevard Music Summer Festival, were made payable to the CAF so that sponsors could take advantage of any applicable tax benefits from their contribution.)

FISCAL ANALYSIS

Formation of a City Council subcommittee focusing on a revised structure for the CAF will require staff time to schedule and notice meetings, as well as staff the meetings and produce minutes if that subcommittee intends to work with the CAF subcommittee and a potential CAC subcommittee.

ATTACHMENTS

None.

RECOMMENDED MOTION(S)

That the City Council:

- 1) Consider the recommendations of the Cultural Affairs Commission (CAC) and Culver City Cultural Affairs Foundation (CAF) Board, together with public input, regarding potential reorganization of the CAF and, as deemed appropriate, provide direction to the City Manager; and
- 2) Create an Ad Hoc Subcommittee to focus on revising the structure of the CAF, including development of revised bylaws and a draft MOU with the City, and appoint _____ to that subcommittee; and
- 3) Approve the transfer of \$10,000.00 from the Culver City Cultural Affairs Foundation to the City in support of technical enhancement of Veterans Memorial Auditorium; and
- 4) Accept donations in the amount of \$17,725.00 to support the 2016 Boulevard Music Summer Festival and approve the transfer of such funds to the City.