



City of Culver City

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Staff Report Details (With Text)

File #: 18-0914 **Version:** 1 **Name:** CAF Revised Bylaws and MOU with the City
Type: Minute Order **Status:** Action Item
File created: 2/15/2018 **In control:** City Council Meeting Agenda
On agenda: 3/12/2018 **Final action:**
Title: CC - (1) Consideration of the Cultural Affairs Foundation Board's Recommendation to (A) Approve Revised Bylaws for the Culver City Cultural Affairs Foundation; and (B) Approve a Memorandum of Understanding with the City of Culver City; and (2) Direction to the City Manager as Deemed Appropriate.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 18-03-12_ATT No. 1_Draft CCCAF Amended and Restated Bylaws, 2. 18-03-12_ATT No. 2_Draft CCCAF and City MOU, 3. 18-03-12_ATT No. 3_Articles of Incorporation of the Culver City Cultural Affairs Foundation, 4. 18-03-12_ATT No. 4_Amended and Restated Bylaws of the Culver City Cultural Affairs Foundation (last amended 2011)

Date	Ver.	Action By	Action	Result
3/12/2018	1	City Council Meeting Agenda		

CC - (1) Consideration of the Cultural Affairs Foundation Board's Recommendation to (A) Approve Revised Bylaws for the Culver City Cultural Affairs Foundation; and (B) Approve a Memorandum of Understanding with the City of Culver City; and (2) Direction to the City Manager as Deemed Appropriate.

Meeting Date: March 12, 2018

Contact Person/Dept: B. Christine Byers/Administrative Services - Cultural Affairs

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 (03/06/18); (E-Mail) Meetings and Agendas - Cultural Affairs (03/06/18)

Department Approval: Serena Wright-Black, Director of Administrative Services (03/06/18)

RECOMMENDATION

Staff recommends the City Council (1) consider the recommendation of the Culver City Cultural Affairs Foundation Board ("CAF Board" or "Board") to approve the amended Bylaws and the

Memorandum of Understanding (MOU) with the City; and (2) provide direction to the City Manager as deemed appropriate.

BACKGROUND/DISCUSSION

In the fall of 2016, the Subcommittee Pertaining to Revising the Structure of the Culver City Cultural Affairs Foundation ("Subcommittee") was formed with the intent of exploring a new structure for the CAF that would allow it to work more independently from the City. The Subcommittee is comprised of members of the City Council (Vice Mayor Thomas Small and Council Member Jim Clarke), the Cultural Affairs Commission (Chair Len Dickter and Vice Chair Jeannine Wisnosky Stehlin), and the Culver City Cultural Affairs Foundation (former Chair Celeste Anlauf, Vice Chair Ashley Rodgers and former Member Brenda Williams). (Celeste Anlauf's and Brenda Williams's terms on the CAF Board ended June 30, 2017.) The Subcommittee met five times since the end of 2016, with the last meeting held on December 6, 2017.

Revised Bylaws

The Subcommittee adapted the existing Bylaws of the CAF Board (which were last amended in 2011) making edits that would allow for a Board that was more independent of the City but that remained aligned with the CAF's mission as included in the Articles of Incorporation.

Changes from the current set of Bylaws include:

- Article II, Section 1 - "Cultural Facilities" was added to the list of City programs that the Foundation would be promoting and supporting. An example of such a cultural facility is Veterans Memorial Building.
- Article III, Section 2 - The number of Board members was changed to nine (9). Current Board composition totals eight members, seven of which are voting members (the City Manager who serves as CEO of the CAF Board, is a non-voting member).
- Article III, Section 3 and Section 5 - The current Bylaws allow the Cultural Affairs Commission's Chair and Vice Chair to serve on the CAF Board as voting members. Due to potential conflict of interests the two CAC members would not continue to serve on the CAF Board if the CCCAF were to separate from the City. All other current voting members of the CAF Board as of the enactment of the amendment would serve an initial term of three years (after which, their terms would be two years). Current CAF Board members are:
 - Ashley Rodgers, Vice Chair
 - Erin Stennis, Secretary
 - Len Dickter, Treasurer*
 - Malena Dobal-Parra
 - Sehnita Mattison
 - Jeannine Wisnosky Stehlin*
 - John Nachbar, CEO (not a voting member)*

*These members would not continue on the CAF Board if the CCCAF were to separate from the City.

There is currently one vacant CAF Board seat. The newest Board member is Sehnita Mattison who was appointed by CAC Commissioner Pali.

- Article III, Section 6 - Board members would have no term limits. Currently, the majority of Board members' terms are tied to those of the CAC members who appoint them.

Memorandum of Understanding with the City

The attached draft MOU was adapted from the Culver City Sister City Committee MOU with the City. Changes from the current CCCAF structure include:

- The CAF Board would no longer rely upon City staff to maintain its records or coordinate and prepare meeting agendas and related documents;
- The MOU language includes an initial loan from the City of \$35,000 (Section 3. PAYMENT) that would cover expenses such as Board insurance, attorney fees, state and federal filing fees, meeting room rental fees, grant writer, and accounting/tax services. This loan would also cover any needed administrative services as there would not be any internal City staff involvement with the new structure to support the CAF Board. After the transfer of the \$13,425 in 2017 Boulevard Music Summer Festival sponsorship funds, the CAF will have \$4,175 available in its checking account (\$3,000 of which came from the former Culver City Redevelopment Agency to set up the account in 2010); and,
- Future City staff involvement would be limited to coordination of reporting and auditing requirements as outlined in the MOU.

With regard to amending the CAF's Bylaws, Article IX of the current CAF Bylaws state:

Section 3. A majority of the voting members of the Board may recommend amending the Bylaws at any meeting of the Board. However, no such amendment or modification shall alter the intention of the Foundation to be operated exclusively to promote and support cultural affairs work programs of the City in a manner which shall make the Foundation tax exempt and the donations to it deductible from taxable income to the extent allowed by the provisions of the Code and other applicable legislation and regulations as they now exist or as they may hereafter be amended. Every amendment or modification of these Bylaws shall be in writing, shall be approved by a majority of the City Council then serving and shall be delivered to each member of the City Council, the Commission and the Board then in office.

At its meeting of December 6, 2017, the Subcommittee supported a motion that the CCCAF approve the draft amended Bylaws and MOU. The CCCAF reviewed the draft documents at a Special Meeting on January 25, 2018 and approved a motion that the City Council adopt the amended Bylaws and MOU. The motion carried with 5 ayes (Ms. Mattison was not yet appointed to the CAF

Board at the time of the meeting and was therefore not present).

If the Council is in support of approving the amended Bylaws and MOU, it is recommended that the enactment become effective immediately in order to allow the CAF Board sufficient time to appoint the remaining board members, set a meeting schedule, appoint officers, and prepare a plan of activities due that is due to the City no later than July 30th of each year (per MOU, Section 6, A.). The CAF Board will also be required to set up a new checking account and will have to file the amended Bylaws with the IRS, the California Franchise Tax Board, and the California Attorney General. A Statement of Information will need to be filed California Secretary of State.

FISCAL ANALYSIS

Should the City Council approve the amended Bylaws and MOU as recommended, the requested \$35,000 loan included in the draft MOU with the City would need to be appropriated.

ATTACHMENTS

1. 18-03-12_ATT No. 1_Draft CCCAF Amended and Restated Bylaws
2. 18-03-12_ATT No. 2_Draft CCCAF and City MOU
3. 18-03-12_ATT No. 3_Articles of Incorporation of the CCCAF
4. 18-03-12_ATT No. 4_Amended and Restated Bylaws of the CCCAF (last amended 2011)

MOTION

That the City Council:

1. Approve the Amended and Restated Bylaws of the Culver City Cultural Affairs Foundation;
2. Approve the Memorandum of Understanding between The City of Culver City and the Culver City Cultural Affairs Foundation; and
3. Provide direction to the City Manager as deemed appropriate.