



# City of Culver City

Mike Balkman  
Council Chambers  
9770 Culver Blvd.  
Culver City, CA 90232  
(310) 253-5851

## Staff Report

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**File #:** 19-1428, **Version:** 1

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### **CAC - Consideration and Recommendation of a Revised Memorandum of Understanding between the Culver City Cultural Affairs Foundation and the City of Culver City.**

**Meeting Date:** June 18, 2019

**Contact Person/Dept:** Serena Wright-Black/Administrative Services

**Phone Number:** (310) 253-5640

**Fiscal Impact:** Yes ☐ No ☒

**General Fund:** Yes ☐ No ☐

**Public Hearing:** ☐

**Action Item:** ☒

**Attachments:** ☒

**Public Notification:** (Email) Meetings and Agendas - Cultural Affairs (06/13/19)

**Department Approval:** Serena Wright-Black, Assistant City Manager (06/10/19)

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### **RECOMMENDATION**

Staff recommends the Cultural Affairs Commission consider and recommend to the City Council a revised memorandum of understanding (MOU) between the Culver City Cultural Affairs Foundation and the City of Culver City.

### **BACKGROUND/DISCUSSION**

In 2016 the City Council formed an Ad Hoc Subcommittee ("Subcommittee") for the purpose of revising the structure of the Culver City Cultural Affairs Foundation ("CAF"). The goal of the Subcommittee was to explore options for a new CAF structure that would allow it to work independently from the City. The CAF subsequently approved the recommendation made by the Subcommittee and the matter was considered by the City Council for final approval. The amended Bylaws were presented to City Council and a new MOU between the City and the CAF was adopted by the City Council on March 12, 2018.

The CAF has been functioning as an independent 501(c)(3) organization since April 2018. It has recruited to fill all nine (9) Board seats, formed an advisory committee, opened a new bank account, obtained insurance coverage, created a logo and has held a number of successful fundraising

events.

#### Memorandum of Understanding with the City

The MOU establishes the relationship between the City and the CAF and provides general guidance on the services provided by the CAF to the City, as well as resources the City provides to the CAF.

As City staff began to work with the CAF Board of Directors ("Board") to transition various administrative, legal and financial documents and functions, it was determined that there were several areas that needed clarity and direction from the City Council.

Specifically, some of the areas where the MOU is silent or unclear are as follows:

- There are no specific donation guidelines set forth in the MOU.
- The MOU does not address whether certain donation types to the City are inappropriate, undesirable and/or prohibited.
- There is a need for clarity as to what priority the City receives in the CAF's disbursement of donations, above and beyond the CAF's stated obligation to support the City's Cultural Affairs Division Work Plan.
- The MOU is not clear on what role, if any, the CAF has in the development of the Cultural Affairs Division Work Plan.
- The MOU does not address whether City will be obligated to continue its financial commitment to Cultural Affairs programs and activities and not decrease funding based on potential fundraising by the CAF.

Staff brought this issue forward to City Council on February 11, 2019. City Council directed staff to meet with the Board and the Cultural Affairs Commission Liaison Ad Hoc Subcommittee ("CAC Subcommittee") to collaborate on potential options to clarify the MOU and strengthen the working relationship between the City and the CAF. In addition, City Council requested that the Cultural Affairs Commission review the proposed revisions prior to this matter returning to City Council.

Staff, the CAC Subcommittee and the Board have met twice and collectively addressed the above issues in the attached revised MOU.

#### **FISCAL ANALYSIS**

There is no fiscal impact associated with this item.

#### **ATTACHMENTS**

1. 19-06-18\_ATT No. 1\_Revised Draft Memorandum of Understanding Between the City of Culver City and the Culver City Cultural Affairs Foundation.
2. 19-06-18\_ATT No. 2\_Revised Final Memorandum of Understanding Between the City of Culver City and the Culver City Cultural Affairs Foundation.

#### **MOTION**

That the Cultural Affairs Commission:

1. Consider the revised Memorandum of Understanding between the City of Culver City and the Culver City Cultural Affairs Foundation and make recommendations to City Council, as appropriate.