

City of Sacramento

Legislation Details (With Text)

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Title:	City Council COVID-19 Response: CARES Act Framework and Funding Priorities: Creative Economy Recovery Program Grant Awards				
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Date	Ver.	Action By	Action	Result
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Title:

City Council COVID-19 Response: CARES Act Framework and Funding Priorities: Creative Economy Recovery Program Grant Awards

File ID: 2020-01055

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to execute Creative Economy Recovery Program Grant Agreements with the nonprofit organizations in the amount specified in the attached Creative Economy Recovery Program Grant funding recommendations for the total not-to-exceed amount of \$1,261,102.

Contact: Mannylyn Timoteo, Administrative Analyst, (916) 808-3982; Raymond Gargano, Arts Program Coordinator, (916) 808-3986; Jody Ulich, Director, (916) 808-5105, Convention and Cultural Services

Presenter: None

Attachments:

- 01-Description/Analysis
- 02-Funding Recommendations
- 03-Coronavirus Relief Fund Programs
- 04-Studio T Urban - Grant Agreement CEI Reimbursement
- 05-Studio T Urban - Grant Agreement Arts Education Program
- 06-Latino Center of Art and Culture - Grant Agreement CEI Program
- 07-Latino Center of Art and Culture - Grant Agreement Collaborative Program

08-Nor Cal School of Arts - Grant Agreement Art Education Program
09-Nor Cal School of Arts - Grant Agreement Collective Program
10-The Sophia, Home of B Street Theatre - Grant Agreement Arts Education Reimbursement
11- The Sophia, Home of B Street Theatre - Grant Agreement Arts Education Program 1
12- The Sophia, Home of B Street Theatre - Grant Agreement Arts Education Program 2
13-Greater Sacramento Urban League as Fiscal Agents for SAYs - Grant Agreement Arts Education Program

Description/Analysis

Issue Detail: On March 13, 2020, the City declared a local emergency in response to the spread of the COVID-19 pandemic. Several actions were taken by the City to provide immediate economic relief to city businesses and residents.

Framework and Funding Priorities: As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, on April 21, 2020, the City received \$89.6 million in the Coronavirus Relief Fund (CRF) to assist with response and recovery efforts.

On May 12, 2020, Council held a workshop to discuss a CARES framework and funding priorities. During the workshop, Council expressed overall interest in funding programs and projects that provide small business assistance, get people back to work, offer opportunities for youth enrichment, address homelessness and housing issues, and support families impacted by this pandemic. The deadline for expending CARES funds is December 30, 2020. Given this short time frame, Council requested staff identify projects and programs for immediate CARES funding and implementation.

On May 26, 2020 Council committed \$28 million in CARES to support immediate local economic relief services and programs for residents and businesses, including:

- **Small Business Assistance:** Financial, technical, and entrepreneurship assistance to small businesses, non-profits, and community-based organizations (CBOs).
- **Workforce Training:** Fund programs and partner with workforce development providers, CBOs, and educational partners at all levels to retrain and uptrain workers dislocated due to the pandemic.
- **Youth Enrichment:** Implement robust programs, curriculum, and service for youth, including providing the necessary transportation and technology to support these programs.
- **Family Services:** Funding to support additional services for Sacramento families, including the expansion and availability of childcare services, food access, and programs that address domestic violence exacerbated by the stay-at-home orders.
- **Homeless Services & Rapid Re-Housing:** Services to place unhoused individuals into

permanent housing and implement homeless aversion programs.

- **Arts, The Creative Economy & Tourism:** Financial and technical assistance directly to support the arts, tourism, and creative economy that have been devastated by the current pandemic.

On July 21, 2020, the Arts, Culture, and Creative Economy (ACCE) Commission recommended the awarding of \$2,219,892 in grants to the City Cultural Assets and Current Grantee categories.

On August 19, 2020, the ACCE Commission recommended the awarding of \$5,040,717 to the remaining eight CARES Act Relief Fund Creative Economy Recovery Program Grant categories to expend the remainder of the \$7.5 million allocation to the Arts, Creative Economy and Tourism.

Four nonprofit organizations were recommended to be awarded multiple grants which totaled in excess of the City Manager's approved authority.

- 3 Point O | Studio T - 3 grant awards totaling \$242,804
- Latino Center of Arts and Culture - 2 grants totaling \$437,955
- Northern California School of Arts - 2 grants totaling \$272,756
- The Sofia, Home of B Street Theatre - 3 grants totaling \$160,887

Additionally, SAYS - Sacramento Area Youth Speaks was recommended to receive a grant in the amount of \$146,700 with The Greater Sacramento Urban League ("Urban League") serving as fiscal agent. The Urban League has been awarded CARES Act funding from other City programs in excess of the City Manager's approval authority.

Policy Considerations: The City has been impacted by a global pandemic. Establishing grant programs to help the entire community using CARES Act funding is consistent with City Council action relative to state and federal grant awards.

Economic Impacts: CARES Act funds and other eligible federal and state grants will assist the City in providing economic relief to residents and business that have been impacted by COVID-19. Additionally, CARES Act spending will support and advance inclusive economic growth, improve the health of neighborhoods and support people, places, and actions that promote overall economic recovery.

Environmental Considerations:

California Environmental Quality Act (CEQA); National Environmental Policy Act (NEPA): The proposed action is not a project under CEQA because it relates to government fiscal activities that do not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment. (Cal. Code Regs., tit. 14, §§15060 (c)(3), 15378(b)(4)). The proposed action involves activities that are exempt from NEPA under

title 24, section 58.34, of the Code of Federal Regulations.

Sustainability: None

Commission/Committee Action: On July 21, 2020, the Sacramento Arts, Culture, and Creative Economy (ACCE) Commission recommended awarding Creative Economy Recovery Program Grants in the amount of \$2,219,892 to two grant categories; the City Cultural Assets and the Current grantees program. On August 19, 2020, the ACCE Commission awarded an additional \$5,040,717 of CARES Act Creative Economy Recovery Program Grants to eight remaining categories; Arts Education Programs and Reimbursements, Creative Business Reimbursements, Cultural Equity Investment Programs and Reimbursements, Equipment Reimbursements, and Collective/Collaborative Program to expend the remainder of the \$7.5 million allocation to the Arts, Creative Economy, and Tourism.

Rationale for Recommendation: Each of the organizations presented in this report has gone through the CARES Act Creative Economy Recovery Grant Program. The listed organizations applied for multiple grant categories within the overall program. Each grant submitted to the Office of Arts and Culture went through a competitive grant panel process and was recommended for funding by the ACCE Commission. Sacramento City Code section 3.04.020 states that expenditures of \$250,000 or more to cultural grant awards require Council approval. While the grant programs are distinct, each organization is collectively receiving more than \$250,000 in total grant awards. When all of the recommended grant awards are combined, the total amount for each of these organizations exceeds the City Manager's authority.

Financial Considerations: On April 21, 2020, the City received \$89.6 million from CRF to address impacts related to the COVID-19 pandemic. There is sufficient funding in the CARES Act Creative Economy Recovery Program for these agreements. City Council has committed to \$89.6 million for CRF programs and projects to date. Details on the CRF programs and projects are included as Attachment 3.

Local Business Enterprise (LBE): Not Applicable