



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED:

REPORT NO:

ATTENTION: Budget and Finance Committee
Agenda of May 9, 2012

SUBJECT: Fiscal Year 2013 Commission for Arts and Culture (Commission)
1) Administrative and 2) Special Promotional Programs Budgets

REQUESTED ACTION:

1. Consider and adopt the Commission for Arts and Culture's administrative budget as presented in the Mayor's proposed FY13 budget.
2. Consider the two funding scenarios presented herein for the 130 non-profit organizations that applied for FY13 funding through the Commission's two funding programs, the funds for which are allocated to the Transient Occupancy Tax (TOT) funded Special Promotional Programs budget, and adopt one of them.

STAFF RECOMMENDATION:

1. Approve the Mayor's proposed FY13 administrative budget for the Commission.
2. Approve Scenario 1 for the Organizational Support Program (OSP) as presented in Attachment 1 and the Creative Communities San Diego Program (CCSD) as presented in Attachment 2. Scenario 1 is based on the Mayor's proposed FY13 Special Promotional Programs budget for the OSP and CCSD programs.

COMMISSION RECOMMENDATION:

1. Approve the Mayor's proposed FY13 administrative budget for the Commission.
2. Approve Scenario 2 for the Organizational Support Program (OSP) as presented in Attachment 1 and the Creative Communities San Diego Program (CCSD) as presented in Attachment 2. The Commission's recommendations in Scenario 2 are based on the projected 5% increase in total TOT from FY12 to FY13 (FY2013 Proposed Budget, page 98).

However, that 5% increase has been used to balance the proposed FY13 budget. Accordingly, only if the May revised number exceeds current projections could Scenario 2 be viable and, if so, 5% of FY13 arts budget could be allocated.

SUMMARY:

Annually the City of San Diego Commission for Arts and Culture (Commission) makes funding recommendations to the Mayor, and in turn the City Council, for allocating Transient Occupancy Tax (TOT) monies to non-profit public benefit arts and culture organizations in the most

transparent and fair way possible. The funding is budgeted as a lump sum within the Special Promotional Programs budget under the category of Arts, Culture and Community Festivals in the Mayor's FY 2013 Proposed Budget. This report outlines the review process and recommended distribution of funds to contract for services with the non-profit arts and culture organizations.

BACKGROUND

The Commission was established in 1988 to advise the Mayor and City Council on promoting, encouraging and increasing support for the region's artistic and cultural assets, integrating arts and culture into community life and showcasing San Diego as an international tourist destination. In keeping with the fulfillment of this mission, the Commission developed a transparent and fair process for evaluating applications and recommending funding for arts and culture organizations.

The category of Arts, Culture and Community Festivals is one of the funding categories included within the TOT funded Special Promotional Programs budget. Applications for funding are made available to arts and culture organizations by Commission staff in the summer for the following fiscal year's budget. The deadline for filing is in the fall, and the Commission Advisory Panels and Commission review the applications throughout the winter and spring. All meetings related to the allocations process are conducted in public in compliance with the Brown Act. Prior to the City Council budget hearings, this report is issued outlining the Commission's specific recommendations for funding as approved by the Mayor.

Within the Special Promotional Programs category of Arts, Culture and Community Festivals, funding for non-profit arts and culture organizations is broken into two sub-categories – Organizational Support Program (OSP) and Creative Communities San Diego Program (CCSD). The remainder of the Arts, Culture and Community Festivals funding is administrative in nature, in support of the non-profit organizations, the Public Art Program, and Commission programs including Cultural Tourism and Survive and Thrive Initiatives.

Attachment 3 is a chronological summary of the allocation process whereby TOT funds are allocated to eligible nonprofit organizations in both the OSP and CCSD programs.

DISCUSSION

A summary of the Commission's recommendations for FY 2013 funding allocations are reflected in Table 1 on the following page. Each of the sub-categories is described more fully on the following pages.

Organizational Support Program (OSP)

The purpose of the OSP is to provide core support or general operating support for eligible non-profit arts and culture organizations. These organizations foster the stabilization and diversification of San Diego's cultural base, enhance the quality of life in the City's neighborhoods and pursue the vision of San Diego as an international cultural tourism destination. Funding supports the vitality and stability of the City's prominent and established arts organizations and cultural institutions, promotes an environment that attracts and nurtures emerging arts and cultural organizations and expands the availability of arts and cultural activities throughout the social, ethnic and economic sectors of the City to foster, promote and expand cultural diversity.

Table 1: Summary of Administrative and Special Promotional Programs Budgets

Program	FY12 Actual	FY13 Recommendations Scenario 1	FY13 Recommendations Scenario 2
Administration	871,683	941,308	\$941,308
Public Art Fund	6,300	56,300	56,300
Sub-Total Administration and Public Art Fund	877,983	997,608	997,608
Special Promotional Programs			
• Organizational Support Program (OSP)	\$5,816,582	\$5,816,582	\$6,107,411
• Creative Communities San Diego (CCSD)	383,418	383,418	\$402,589
Sub-Total OSP and CCSD	6,200,000	6,200,000	6,510,000
• Mayor Council Allocations	220,000	234,500	\$234,500
Sub-Total Special Promotional Programs	6,420,000	6,434,500	6,744,500
Total Proposed Budget	\$7,297,983	\$7,432,108	\$7,742,108

This year, the Commission received 82 OSP applications with a total funding request of \$13,004,148. The Commission Advisory Panels (CAP) reviewed them, following an evaluation by staff for completeness and compliance. Two CAPs, comprised of Commissioners and community members with expertise in nonprofit management and in the fields of arts and culture, reviewed and ranked the proposals according to the published criteria. Applicants were ranked in a two-step process: 1) each panel member ranked each application individually and 2) the ranks were averaged, with the resultant scores determining the applicant's ranking within its OSP level. Organizations received a notice of their rank and the panels' comments and had an opportunity to appeal the rank in a formal public hearing.

Attachment 1 includes an overview of the OSP funding process and the distribution of recommended OSP allocations based on two scenarios.

Creative Communities San Diego (CCSD)

The Commission received 48 CCSD applications, with a total funding request of \$1,023,477. Beginning with FY 2007, the Commission merged two of its allocations programs, Festivals and Celebrations and Neighborhood Arts Program, into the Creative Communities San Diego Program. This program provides project-based financial support for festivals, street fairs, parades and other civic events that enhance neighborhood pride, identity and unity and for projects that make arts and culture activities accessible to the community, increasing participation in arts and culture and making arts and culture more central to people's lives. The process for reviewing CCSD applications for funding is the same as the OSP review.

Attachment 2 includes an overview of the CCSD funding process and the distribution of recommended CCSD allocations based on two scenarios.

Administration

The Administration budget provides for Service Level Agreements with Development Services and City Attorneys, non-personnel expenditures, technical assistance workshops for the arts and culture community, matching funds for state and federal grants, for example the National Endowment for the Arts funded promotional campaign, Fall for the Arts, with a “kids go free” program during the month of October, and for staff support of Commission’s overall goals and objectives. In addition to making funding recommendations as described within this report, the Commission is also responsible for advising on projects and programs designed to promote public art throughout the neighborhoods of the City, to develop policies that involve artists in selected capital improvement projects, and to encourage the private sector to include public art in private development. Additionally, the Commission provides programs and services to the community through workshops and technical trainings as well as initiatives and partnerships with the National Endowment for the Arts (NEA), California Arts Council (CAC), Americans for the Arts (AFTA), San Diego Convention and Visitors Bureau (ConVis), the San Diego Foundation, Pew Charitable Trust and Irvine Foundation.

It is recommended that \$997,608 be allocated to the Arts and Culture Department’s Administrative budget of which \$50,000 is transferred from the Public Art Fund for the care and restoration of city owned artwork including artworks in Balboa Park in preparation for the 2015 celebration.

Mayor/City Council Allocations

The proposed budget provides for each of eight previously existing Council districts to receive \$25,000, an additional \$14,500 for the newly-formed ninth district, and for the Mayor to receive \$20,000 to allocate funds to non-profit organizations as outlined in Council Policy 100-03.

It is recommended that \$234,500 be allocated to the Mayor/City Council Allocations and that consideration be given to using those funds through augmentations to contracts of organizations that have submitted an eligible application and have been vetted through the Commission’s review process.

FISCAL CONSIDERATIONS:

The administrative budget increased by \$19,625 in non-discretionary allocations and \$100,000 in discretionary arts and culture services and public art projects. The Mayor/City Council Allocations increased by \$14,500 due to the addition of a ninth city council seat. The OSP and CCSD funding programs increased by 5% under the Commission’s recommendations (Scenario 2) or remain unchanged under the staff recommendation (Scenario 1). These funding recommendations and the OSP and CCSD allocations will be included in the final budget document.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

None.

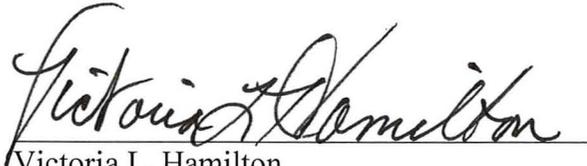
COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Applications and Technical Assistance workshops are publicly noticed and all information is available on the Commission’s website. The Commission Advisory Panels and the full Commission review of applications are conducted in public in compliance with the Brown Act.

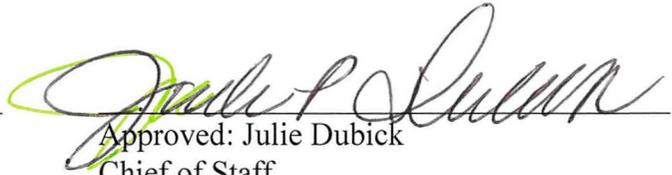
Prior to the City Council budget hearings, this report is issued outlining the Commission funding recommendations on two scenarios.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Arts and culture community and the community at large.



Victoria L. Hamilton
Executive Director
Commission for Arts and Culture



Approved: Julie Dubick
Chief of Staff
Office of Mayor Jerry Sanders

Attachments:

- 1) FY 2013 Organizational Support Program Overview and Funding Recommendations
- 2) FY 2013 Creative Communities San Diego Overview and Funding Recommendations
- 3) Chronological Summary of Process

Attachment 1

City of San Diego Commission for Arts and Culture
Fiscal Year 2013
Organizational Support Program (OSP)

Methodology

Each year the Commission reviews the application review criteria and guidelines and makes improvements as necessary based upon feedback from contractors, panels and staff. Major components of the review criteria include an organization's capacity to plan and implement high quality arts and culture programming and services; to serve all of San Diego's diverse communities through education and outreach programs; to demonstrate an organization's governance and fiscal health; to contribute to cultural tourism development; and an organization's capacity to meet the city's contract management requirements.

All applicants were required to submit an application by the deadline of November 18, 2011. Application guidelines and forms were made available to the public beginning August 23, 2011. Workshops were held on October 3 (Council District 6) and October 4 (Council District 4) 2011. Individual technical assistance in person, by phone or email was provided throughout the year.

The Commission administers two versions of the OSP application – a Long Form and a Short Form. The Long Form is the standard version which all new organizations and many returning organizations must complete. Each year, approximately 25% of returning applicants are eligible to submit an abbreviated form of the application (Short Form) based on their demonstrated excellence in providing the highest quality products and services and in managing their contracts.

To be eligible to use the Short Form, the applicant must demonstrate that it has satisfactorily completed City contracts over a three year period, it must hold a rank of 3+ or higher, its executive artistic and/or administrative staff has not changed during the past year, its venue has not changed in the past year, its average annual operating fund deficit for the two most recently completed fiscal years is not greater than 5%, there have been no significant changes in program objectives as stated in the current year contract, objectives have been met as outlined in the contract, and the contractor has successfully met all of its current and prior year obligations, including Final Report Packets.

Short Form criteria include goals and objectives for the coming year, comprehensive financial and human resources data, response to diversity commitment, description of challenges and progress, response to panel comments (if the applicant submitted a Long Form the prior year), and budget implications of new programs and services and detailed budget notes. Organizations are allowed to submit Short Forms for a maximum of three years before being required to submit the Long Form again.

Long Forms are reviewed by Commission Advisory Panels (CAP) as described elsewhere in this Report. These panels review all aspects of the application, and to each application they assign a

rank. Short Forms are reviewed by a staff committee for technical compliance only, and applications that pass the staff review maintain the rank they received from the last time they were reviewed by a CAP.

Panels were convened on January 11 and January 18, 2012 to review and rank Long Form applications. Panelists consisted of members of the Commission as well as community members selected for their expertise in the areas of arts or cultural programming, education, diversity, community development, cultural tourism, and business. Panels were open to the public and conducted in accordance with the Brown Act.

An Appeals Hearing was held as part of a regular Commission meeting on March 16, 2012 at which time appeals were heard from the California Ballet, Gaslamp Quarter Historical Foundation, San Diego Ballet, and The PGK Project.

Following the Appeals Hearing, the Commission continues its process for allocating TOT funds by holding the following public meetings: Funding Committee review and recommendations; Executive Committee review and recommendations; full Commission review and recommendations.

The final funding recommendations are the result of a formula that includes the following variables for each applicant: size of budget, rank assigned by panel and amount requested (smaller organizations may request a larger percentage of their annual budget than larger organizations).

How to Navigate the Spreadsheet

The following systems are used in the ranking of applications:

1. Applications are ranked as follows with the corresponding percentages used as multipliers when calculating the maximum percentage of each applicants request, the applicant may be awarded:

Rank	Numerical Equivalent	Percentage Equivalent
4	4	100%
4-	3.67	94%
3+	3.33	88%
3	3	82%

2. Applicants receiving a rank lower than a 3 were not recommended for funding under Scenario 1 or 3- under Scenario 2.
3. Awards are calculated according to a formula that takes into account two curves, the ranks awarded by the panel, and the amount of available funds.
4. New and returning organizations receive 50% of their calculated award in their first year and 75% in their second year.
5. No organization may receive more than 10% of the total available funds.
6. No organization will be funded over its requested amount.

Funding Recommendations Overview

	Number of Applicants	Number of Applicants Funded	Funding
FY12 Actual	81	75	\$5,816,582
FY13 Recommended Scenario 1 (Mayor's Proposed)	82	72	\$5,816,582
FY13 Recommended Scenario 2 (Mayor's + 5%)	82	77	\$6,107,411

Scenario 1 uses the Mayor's Proposed FY13 Budget and funds applications that received a rank of 3 or better.

Scenario 2 uses the Mayor's Proposed FY13 Budget plus a 5% increase and funds applications that received a rank of 3- or better. The 5% increase is based on the projected increase of total TOT from FY12 to FY13. Five additional groups will be funded under this scenario.

Frequently Asked Questions

1. How do I know what the Recommended Funding is for a particular organization?
 - Organizations are listed in alphabetical order.
 - FY13 Recommended Funding Scenarios are listed in the columns to the far right.

2. Why does funding for a given organization change from one year to the next?

There are several factors to consider:

- A change in the total funds available
 - A change in the number of applications funded
 - A change in the total funds requested
 - A change in an organization's Annual Operating Income (AOI)
 - A change in an organization's rank
 - Changes to the AOI and/or ranks of other organizations
3. How is the Recommended Funding determined?
 - The Recommended Funding is determined by a formula that incorporates curve parameters, the organization's rank and the total available funds.
 4. What do the "standard curve" and the "museum curve" have to do with funding?
 - One of the premises of the OSP allocation process is that organizations receive funding relative to the size of their budget (AOI). The curves ensure that organizations are funded equally with respect to their budget size. As an organization's budget grows, the overall percentage of its funding decreases. For example, an organization with an AOI of \$25,000 may request a maximum allocation equal to 25% of its AOI, and an organization with a \$1 million AOI may request a maximum allocation of 13.5% of its AOI.
 - Only museums that are accredited by the American Association of Museums and have an AOI between \$1,500,000 and \$6,500,000 may use the Museum Curve. All other organizations use the Standard Curve.

**FY13 Organizational Support Program
Funding Recommendations**
(in alphabetical order)

	Organization	FY12 Rank	FY12 Operating Income	FY12 Funding		FY13 Request	FY13 Rank	FY13 Operating Income	FY13 Scenario 1	FY13 Scenario 2	Notes
1	A Reason to Survive					0	3	581,416	0	0	W
2	AJA Project, The	3+	240,559	19,976		45,518	4-	252,880	22,001	22,937	
3	Art of Elan	3+	63,354	3,258		21,620	4-	102,951	7,806	8,139	0.75
4	Athenaeum Music & Arts Library	4-	1,393,829	84,812		160,750	4	1,285,998	85,793	89,444	
5	Bach Collegium San Diego					21,144	2+	96,770	0	0	0.50
6	Balletique Dance Theatre					13,788	2+	59,950	0	0	0.50
7	California Ballet Association, Inc.	3+	1,092,747	66,195		134,360	3	995,261	55,691	58,060	
8	Camarada, Inc.	4-	70,204	7,598		18,170	4-	82,591	8,636	9,003	
9	Center for World Music	3-	105,121	0		44,565	3+	247,585	14,169	14,772	
10	City Ballet, Inc.	3+	656,811	44,750		105,226	3	725,698	41,449	43,212	
11	Classics for Kids	4-	257,911	22,593		44,538	4-	247,432	21,611	22,531	
12	Culture Shock Dance Troupe					36,969	3+	194,575	8,298	8,651	0.50
13	Cygnets Theatre Company	4	1,635,541	101,461		203,765	4-	1,698,045	103,034	107,418	
14	Diversionsary Theatre Productions	4-	480,899	41,524		83,187	3+	519,922	34,986	34,986	
15	Eveoke Dance Theatre	3	308,005	22,780		55,466	4-	326,272	22,005	22,942	
16	Gaslamp Quarter Historical					73,184	2+	457,398	0	0	0.50
17	Japanese Friendship Garden	3+	759,604	50,114		115,305	3+	823,610	50,111	52,243	
18	La Jolla Chapter, SPEBSQSA, Inc.					5,469	3-	21,875	0	1,156	0.50

	Organization	FY12 Rank	FY12 Operating Income	FY12 Funding		FY13 Request	FY13 Rank	FY13 Operating Income	FY13 Scenario 1	FY13 Scenario 2	Notes
19	La Jolla Historical Society	3	407,786	21,433		56,132	3+	330,189	20,842	21,729	
20	La Jolla Music Society	4	3,454,074	170,718		323,145	4	3,401,528	167,250	174,367	
21	La Jolla Playhouse	4	13,929,478	360,839		747,165	4	13,584,821	353,946	369,007	
22	La Jolla Symphony & Chorus	3+	397,021	30,017		71,780	3+	448,624	28,072	29,267	
23	Mainly Mozart, Inc.	4-	1,367,474	83,622		164,672	4-	1,266,709	79,557	82,942	
24	Malashock Dance & Company	4-	427,469	34,021		80,588	4-	503,675	33,529	34,956	
25	Maritime Museum	4-	4,615,141	193,213		425,210	4-	5,002,467	200,933	209,483	
26	Media Arts Center San Diego	4-	824,852	57,052		142,537	4-	1,096,440	69,784	72,753	
27	Mingei International, Inc.	4	2,454,432	135,455		320,068	4	3,369,134	187,939	195,936	M
28	Mojalet Dance Collective					14,699	3-	66,813	0	3,038	0.50
29	Mo'olelo Performing Arts Company	4	173,059	17,292		38,987	4	205,195	19,707	20,546	
30	Moxie Theatre					29,217	3+	146,085	6,538	6,816	0.50
31	Museum of Contemporary Art	4-	7,664,596	259,234		582,478	4-	8,961,202	277,972	289,799	M
32	Museum of Photographic Arts, The	4-	1,743,939	99,920		195,172	4-	1,561,376	95,794	99,870	M
33	New Children's Museum, The	4-	4,760,802	151,833		441,310	4	5,516,377	224,592	236,361	
34	NewWorks/Vantage Theatres	1	14,607	0		3,475	2	13,900	0	0	
35	Old Globe Theatre	4	19,467,034	394,382		1,167,557	4	21,228,311	394,917	411,721	
49	Orchestra Nova San Diego	4-	909,760	61,511		131,122	4-	971,281	62,417	65,073	
36	Patricia Rincon Dance Collective	3+	217,811	18,409		21,001	3+	100,005	9,508	9,913	
37	Persian Cultural Center	3+	278,773	22,540		49,719	3+	276,214	22,139	23,081	

	Organization	FY12 Rank	FY12 Operating Income	FY12 Funding		FY13 Request	FY13 Rank	FY13 Operating Income	FY13 Scenario 1	FY13 Scenario 2	Notes
38	PGK Project	2+	79,920	0		17,210	3-	78,223	0	5,213	0.75
39	Playwrights Project	4-	356,878	29,424		66,354	4-	390,315	26,482	27,316	
40	Prophet World Beat Productions	3+	337,691	26,342		57,728	3+	339,576	23,708	23,708	
41	Reuben H. Fleet Science Center	4	5,799,777	235,956		524,327	4	7,490,383	269,595	281,066	
42	San Diego Air & Space Museum	4-	7,305,539	252,647		508,399	4-	6,778,659	239,959	250,169	M
43	San Diego Archaeological Center	4-	368,737	30,211		41,780	3-	232,112	0	17,285	
44	San Diego Art Institute, The	3+	611,148	42,293		89,021	3+	593,470	36,963	38,302	
45	San Diego Asian Film Foundation	4	598,775	47,294		97,585	4	650,570	45,571	47,510	
46	San Diego Automotive Museum	3	615,189	39,614		87,909	3+	586,064	36,301	37,845	
47	San Diego Ballet	4-	391,690	31,717		67,990	3+	424,938	26,723	27,770	
48	San Diego Center for Jewish Culture	4-	1,651,166	96,035		205,420	4-	1,786,258	107,610	112,189	
50	San Diego Children's Choir	4-	266,004	23,171		55,083	4-	306,018	20,854	21,549	
51	San Diego Chinese Historical	4-	157,424	15,022		32,796	4-	172,612	16,052	16,735	
52	San Diego Civic Youth Ballet, Inc.	3+	326,521	22,260		60,751	3	357,356	20,977	21,870	
53	San Diego Dance Theater	4-	341,384	28,387		70,990	4-	417,586	27,976	29,166	
54	San Diego Early Music Society	4-	90,743	9,452		18,903	4-	85,921	8,931	9,311	
55	San Diego Gay Men's Chorus	4-	220,622	19,873		47,846	4-	281,445	24,013	25,035	
56	San Diego Guild of Puppetry, Inc.	4-	66,822	7,284		13,870	4-	60,305	6,603	6,884	
57	San Diego History Center	4-	1,575,354	92,800		189,042	4-	1,575,354	96,543	100,651	

	Organization	FY12 Rank	FY12 Operating Income	FY12 Funding		FY13 Request	FY13 Rank	FY13 Operating Income	FY13 Scenario 1	FY13 Scenario 2	Notes
58	San Diego Junior Theatre	4-	1,279,979	79,614		163,187	4-	1,255,282	78,910	82,267	
59	San Diego Master Chorale, Inc.	4-	151,582	14,556		30,673	4-	153,367	14,546	15,165	
60	San Diego Model Railroad	3+	577,499	40,450		88,264	3+	588,427	36,441	37,991	
61	San Diego Museum Council, Inc.	3	94,321	8,520		20,487	3	97,557	8,676	9,045	
62	San Diego Museum of Art	4-	6,858,597	244,056		558,094	4-	8,587,065	272,113	283,691	M
63	San Diego Museum of Man	4-	1,891,769	105,949		234,812	4-	1,878,500	112,312	117,091	M
64	San Diego Natural History	4-	12,402,423	324,837		603,148	4-	10,052,474	293,697	306,193	M
65	San Diego Opera Association	4	17,876,967	387,863		742,639	4	13,502,545	353,172	368,199	
66	San Diego Repertory Theatre, Inc.	4-	2,787,556	138,985		248,522	4-	2,366,874	122,863	128,091	
67	San Diego Symphony	4	18,802,211	391,934		985,087	4	17,910,673	384,005	400,344	
68	San Diego Watercolor Society	4-	262,256	22,904		53,621	4-	315,419	21,290	22,196	
69	San Diego Women's Chorus	3-	22,231	0		5,792	3	23,168	1,761	1,836	
70	San Diego Writers Ink	3+	97,352	7,044		18,902	3+	85,916	8,360	8,453	
71	San Diego Young Artists Music	4-	113,723	11,439		26,258	3+	131,289	11,957	12,466	
72	San Diego Young Artists Symphony	3+	127,331	11,776		27,792	3+	138,962	12,540	13,074	
73	San Diego Youth Symphony	4	756,534	56,770		118,136	4	875,078	60,266	62,831	
74	Save Our Heritage Organisation	3+	955,644	59,791		129,940	3	928,141	52,203	54,424	

	Organization	FY12 Rank	FY12 Operating Income	FY12 Funding		FY13 Request	FY13 Rank	FY13 Operating Income	FY13 Scenario 1	FY13 Scenario 2	Notes
75	Scripps Ranch Theatre	3	165,114	10,227		30,497	3	152,483	12,272	13,168	
76	Spreckels Organ Society	3+	185,280	16,104		33,736	3+	177,559	15,384	16,039	
77	Timken Museum of Art	4	1,781,998	53,984		196,646	4	1,638,717	79,719	83,111	0.75
78	Veterans Memorial Center, Inc.	4-	246,663	21,782		46,108	4-	256,154	22,234	23,180	
79	Villa Musica	3	102,560	9,145		42,786	3-	237,700	0	17,626	
80	Westwind Brass, Inc.	3	91,056	8,269		19,422	4-	92,484	9,506	9,910	
81	Women's History Museum	3+	82,767	8,184		23,867	3	119,285	10,280	10,717	
82	Young Audiences of San Diego	4	549,144	44,175		113,670	4	811,929	56,186	58,577	
	Totals					13,004,148		161,754,788	5,816,581	6,107,411	
	Number of Groups Funded								72		

Notes:

- Scenario 1** Uses the Mayor's Proposed FY13 Budget and funds groups that were ranked 3 or better.
- Scenario 2** Uses the Mayor's Proposed FY13 Budget plus 5% and funds groups that were ranked 3- or better. This scenario uses a 5% increase based on the percentage that total Transient Occupancy Tax (TOT) is projected to increase from FY12 to FY13.
- .50, .75** New and returning organizations are funded at 50% of the recommended funding in the first year and 75% in their second year.
- M** Museum
- W** Withdrew

Attachment 2

City of San Diego Commission for Arts and Culture
Fiscal Year 2013
Creative Communities San Diego Program (CCSD)

Methodology

Each year the Commission reviews the application review criteria and guidelines and makes improvements as necessary based upon feedback from contractors, panels and staff. Major components of the review criteria include an organization's capacity to plan and implement high quality arts and culture programming and services; especially those designed to promote community development; to serve San Diego's diverse communities; to demonstrate an organization's governance and fiscal health; and an organization's capacity to meet the city's contract management requirements.

All applicants were required to submit an application by the deadline of October 21, 2011. Application guidelines and forms were made available to the public beginning August 17, 2011. Workshops were held on September 12 (Council District 6) and September 13 (Council District 4) 2011. Individual technical assistance in person, by phone or email was provided throughout the year.

The Commission administers two versions of the CCSD application – a Long Form and a Short Form. The Long Form is the standard version which all new organizations and many returning organizations must complete. Each year, approximately 25% of returning applicants are eligible to submit an abbreviated form of the application (Short Form) based on their demonstrated excellence in providing high quality programs and services and managing their contracts.

In order to be eligible to use the Short Form, the applicant must demonstrate that it has satisfactorily completed and is in the process of completing City contracts over the three (3) year period immediately prior to the application year, it holds a rank of 3+ or higher, it presented the same project for three consecutive years, at the same site, with the same key staff, and it has successfully met all of its current and prior year obligations, including Final Report Packets.

The Short Form criteria include project goals and objectives, attendance data, budgets (past, present and projected), annotated budget notes, board composition and policies including how conflicts of interest are handled and training for board members and staff, outcomes and project evaluation, and response to panel comments (if the applicant submitted a Long Form in the prior year). Organizations are allowed to submit Short Forms for a maximum of three years before being required to submit the Long Form again. Long Forms are reviewed by Commission Advisory Panels (CAP) as described elsewhere in this Report. These panels review all aspects of the application, and to each application they assign a rank. Short Forms are reviewed by a staff committee for technical compliance only, and applications that pass the staff review maintain the rank they received from the last time they were reviewed by a CAP.

A panel was convened on December 12, 2011 to review and rank applications. Panelists consisted of members of the Commission as well as community members selected for their expertise in the areas of arts or cultural programming, education, diversity, community development, cultural tourism, and business. Panels were open to the public and conducted in accordance with the Brown Act.

An Appeals Hearing was held as part of a regular Commission meeting on March 16, 2012 at which time one appeal was heard from The Capoeira Institute.

Following the Appeals Hearing, the Commission continues its fair and transparent process for allocating TOT funds by holding the following public meetings: Funding Committee review and recommendations; Executive Committee review and recommendations; full Commission review and recommendations.

The final funding recommendations are the result of a formula that includes the following variables for each applicant: size of budget, rank assigned by panel and amount requested.

How to Navigate the Spreadsheet

The following systems are used in the ranking of applications:

1. Applications are ranked as follows with the corresponding percentages used as multipliers when calculating the maximum percentage of each applicant's request, the applicant may be awarded:

Rank	Numerical Equivalent	Percentage Equivalent
4	4	100%
4-	3.67	94%
3+	3.33	88%
3	3	82%

2. Applicants receiving a rank lower than a 3 were not recommended for funding under Scenario 1 or 3- under Scenario 2.
3. Awards are calculated based upon each applicant's rank and an "across the board reduction" based upon available funds.
4. While an organization may request one third or one quarter of its total project expenses for projects less than or greater than or equal to \$30,000 respectively, any request greater than 10% of total available funds is subsequently capped at the 10% level in the calculation of recommended funding.
5. No organization will be funded over its requested amount.

Funding Recommendations Overview

	Number of Applicants	Number of Applicants Funded	Funding
FY12 Actual	42	32	\$383,418
FY13 Recommended Scenario 1 (Mayor's Proposed)	48	43	\$383,418
FY13 Recommended Scenario 2 (Mayor's + 5%)	48	44	\$402,589

Scenario 1 uses the Mayor's Proposed FY13 Budget and funds applications that received a rank of 3 or better.

Scenario 2 uses the Mayor's Proposed FY13 Budget plus a 5% increase and funds applications that received a rank of 3- or better. The 5% increase is based on the projected increase of total TOT from FY12 to FY13. One additional group is funded under this scenario.

Frequently Asked Questions

1. How do I know what the Recommended Funding is for a particular organization?

- Organizations are listed in alphabetical order.
- FY13 Recommended Funding Scenarios are listed in the columns to the far right.

2. Why does funding for a given organization change from one year to the next?

There are several factors to consider:

- A change in the total funds available
- A change in the number of applications funded
- A change in the total funds requested
- A change in an organization's project budget (which affects the amount requested)
- A change in an organization's rank
- Changes to the project budgets and/or ranks of other organizations

3. How is the Recommended Funding determined?

- The Recommended Funding is determined by a formula that includes a percentage equivalent for the rank and an across-the-board adjustment for the amount of available funds.

**FY13 Creative Communities San Diego
Funding Recommendations**
(in alphabetical order)

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
1	America's Finest City Dixieland Jazz Society	San Diego Thanksgiving Dixieland Jazz Festival				4	192,000	48,000	18,915	19,429
2	Asian Story Theater Incorporated	Year of the Snake	3+	5,729	30,000	3+	30,000	10,000	4,380	4,499
3	Balboa Park Cultural Partnership	New Directions in Audience Engagement	3-	-	123,500	3	91,261	22,815	9,313	9,566
4	Bon Temps Social Club of San Diego, The	Gator by the Bay	4-	24,961	426,000	4-	441,956	110,489	18,915	20,452
5	Cabrillo Festival, Inc.	Cabrillo Festival	4-	3,060	20,000	4-	20,000	5,000	3,119	3,204
6	Capoeira Institute	Brazilian Day San Diego Street Fair and Parade		-	-	2+	87,050	21,762	-	-
7	Casa Familiar	Casa Familiar Dia de la Mujer Celebration				3	80,000	20,000	8,163	8,385

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
8	Central Commercial District Revitalization Corporation	San Diego After-School Strings Program	3+	5,729	30,000	3+	30,000	10,000	4,380	4,499
9	Centre City Development Corporation	15th Annual Sheila R Hardin San Diego Multicultural Festival	3	5,178	42,650	3	41,800	9,700	4,265	4,381
10	Christian Community Theatre	CYT Show Productions	3-	-	196,735	2+	85,000	21,250	-	-
11	College Area Economic Development Corporation	Boulevard BOO! Parade and Carnival	3+	8,995	62,800	4	61,500	15,375	7,653	7,861
12	Cooper Family Foundation, The	The Cooper Family Juneteenth Celebration		-	-	2+	20,000	6,667	-	-
13	Gaslamp Quarter Association	Projection of the Arts				4-	59,000	14,750	6,902	7,089
14	Hillcrest Business Improvement Association Incorporated	Hillcrest CityFest 2012	4-	13,858	90,579	4-	99,700	24,925	11,662	11,979
15	Historic Old Town Community Foundation, The	Fiesta Cinco de Mayo	3-	-	131,834	3	132,300	33,075	13,500	13,867

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
16	Italian American Art and Culture Association of San Diego	San Diego Italian Film Festival	4-	10,403	68,000	4-	92,000	23,000	10,762	11,054
17	Jacobs Center for Neighborhood Innovation	Arts & Culture Fest	4	18,042	110,850	4	120,000	30,000	14,933	15,339
18	Kalusugan Community Services	Filipino American Arts and Culture Festival	3+	14,323	100,000	3+	100,000	25,000	10,951	11,248
19	Kiwanis International K08275 Tierrasanta San Diego	Oktoberfest				3+	14,350	4,780	2,096	2,153
20	Linda Vista Multi-Cultural Fair, Inc.	Linda Vista Multi-Cultural Fair and Parade	4-	6,063	39,630	4-	41,100	10,275	4,808	4,938
21	Little Italy Association	Little Italy Festa	4	23,600	145,000	4	143,000	35,750	17,795	18,279
22	Media Heritage, Inc. dba Filmout San Diego	LGBT Annual Film Festival	4-	9,179	60,000	4-	59,500	14,875	6,960	7,149
23	Mira Mesa Theatre Guild	Monster Manor	3-	-	30,000	3	25,700	8,566	3,497	3,592
24	Musicians for Education	Street of Dreams Live	1	-		3+	30,000	10,000	4,380	4,499

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
25	North Park Organization of Businesses, Inc.	North Park Festival of the Arts	4-	7,956	52,000	4	61,000	15,250	7,591	7,797
26	NTC Foundation	Friday Night Liberty	4	6,334	29,200	4-	29,200	9,733	4,554	4,678
27	Nu-Way Operation BHILD	Heritage Weekend Celebration	3	6,595	49,419	3	37,703	7,676	3,847	3,952
28	Ocean Beach Merchants Association	Ocean Beach Street Fair and Chili Cook-Off Festival	4-	17,028	111,300	4-	116,550	29,137	13,634	14,004
29	Pacific Beach Community Development Corporation	Pacific Beachfest	3+	13,034	91,000	3+	87,900	21,975	9,626	9,887
30	Pacific Southwest Wildlife Arts, Inc.	2013 California Open Wildlife Art Festival	3+	9,329	65,135	3	60,150	15,037	6,138	6,305
31	PASACAT	Parol (Philippine Lantern) Festival	3+	3,724	20,000	3+	19,020	6,340	2,777	2,853
32	Point Loma Summer Concerts	Point Loma Summer Concert Series		-	-	4	78,300	19,500	9,744	10,009
33	Rancho de los Penasquitos Town Council, Inc.	Fiesta de los Penasquitos	3	5,005	37,500	3	33,100	8,275	3,378	3,469

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
34	Rolando Community Council, Inc.	Rolando Street Fair	4	5,644	26,030	4	25,600	8,525	4,248	4,363
35	San Diego Armed Services YMCA	Big Bay Boom July 4th Fireworks Show	4-	24,961	212,207	4-	252,550	63,137	18,915	20,452
36	San Diego Audubon Society	San Diego Bird Festival	3+	20,052	140,000	3+	102,900	25,725	11,268	11,575
37	San Diego Chinese Center	Chinese New Year Food and Cultural Fair				3-	48,000	12,000	-	4,663
38	San Diego Earth Day	San Diego Earth Day	4-	21,878	143,000	4-	126,100	31,525	14,751	15,151
39	San Diego Film Foundation	San Diego Film Festival	4-	24,961	199,025	4-	195,112	48,778	18,915	20,452
40	San Diego Fleet Week Foundation	Fleet Week Big Bay Family Festival				3	86,000	20,000	8,776	9,014
41	San Diego Music Foundation	San Diego Music Thing		-	-	3	80,000	20,000	8,163	8,385
42	San Diego Shakespeare Society, Inc.	San Diego Student Shakespeare Festival	4-	5,967	29,250	4-	28,100	9,367	4,383	4,502

	Organization	FY13 CCSD Name of Project	FY12 Rank	FY12 Funding	FY12 Total Project Expenses	FY13 Rank	FY13 Total Project Expenses	FY13 Amount Requested	FY13 Scenario 1	FY13 Scenario 2
43	Southern Sudanese Community Center of San Diego	After School Programs Arts and Culture Dance	3-	-	30,000	2+	30,000	10,000	-	-
44	Springfest Inc.	SpringFest				3+	83,497	20,874	9,144	9,392
45	St. Madeleine Sophie's Center	Sophie's Gallery NTC		-	-	4-	78,296	19,574	9,159	9,408
46	Torrey Pines Kiwanis Foundation	La Jolla Festival of the Arts	3+	24,348	170,000	3+	209,950	52,487	18,915	20,452
47	Transcendance Youth Arts Project	Teen Performance Group Summer Project: Explore/Create/Activate	4-	6,120	30,000	4-	30,000	10,000	4,679	4,806
48	Write Out Loud	TwainFest		-	20,550	3+	23,725	2,508	3,464	3,558
	Totals						4,019,970	1,023,477	383,418	402,589
	Number Funded								43	44

Notes:

Scenario 1 uses the Mayor's Proposed FY13 Budget and funds groups that were ranked 3 or better.

Scenario 2 uses the Mayor's Proposed FY13 Budget plus 5% (see explanation below) and funds groups that were ranked 3- or better.

Scenario 2 uses a 5% increase based on the percentage that total Transient Occupancy Tax (TOT) is projected to increase from FY12 to FY13.

Attachment 3

Chronological Summary of the Allocation Process

2011 – 2012

August/September

Release CCSD Application and Guidelines
Release OSP Application and Guidelines
CCSD Application Prep Workshop –
Ridgeview Training Facility
CCSD Application Prep Workshop – Valencia
Park/Malcolm X Library
Intent to Apply Forms (OSP and CCSD) due –
Sept 30

October

OSP Application Prep Workshop – Ridgeview
Training Facility
OSP Application Prep Workshop – Valencia
Park/Malcolm X Library
FY13 CCSD Application Deadline – Oct 21

November/December

CCSD Panelists' Orientation
OSP Application Deadline – Nov 18
OSP Panelists' Orientation
CCSD Applications Review Panel

January/February

Release CCSD Panel Comments
OSP Applications Review Panel Level III
OSP Applications Review Panel Levels I and II
Release OSP Panel Comments

March/April

OSP and CCSD Appeals Deadline
Appeals Hearing
Commission's Funding Committee
Recommends Funding Allocations
Commission's Executive Committee
Recommends Funding Allocations
Commission Meeting – Approval of Funding
Recommendations

May/June/July

City Council Budget Hearing on Arts and
Culture
City Council Approves Budget
Funding letters mailed to contractors
Contract Workshop
Revise applications and guidelines as necessary