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OAKLAND

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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Mark Sawicki
Director, EWD

SUBJECT: Grant Agreement for Northern
California Grantmakers Arts Loan
Fund for FY2018-2021

DATE: December 20, 2018

City Administrator Approval

Date:

1/10/19

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Enter Into A Grant Agreement In An Amount Not To Exceed \$4,000 With Northern California Grantmakers As A Contribution To The Arts Loan Fund Corpus For Fiscal Year (FY) 2018-2021.

EXECUTIVE SUMMARY

The City of Oakland is a member of Northern California Grantmakers' Arts Loan Fund Steering Committee. As a member, the City of Oakland is requested to make a financial contribution to the Arts Loan Fund (ALF) Corpus at least once every three years. The City of Oakland's last contribution was in 2015 in the amount of \$210. Average member contributions ranged from \$10,000 to \$30,000 in FY 2016-17 and FY 2017-18. The Cultural Affairs Division proposes to contribute \$4,000 to the ALF Corpus, for the grant period FY 2018-2021.

BACKGROUND / LEGISLATIVE HISTORY

The former Redevelopment Agency of the City of Oakland adopted Resolution Number 94-43 C.M.S. on June 28, 1994, establishing the Cultural Arts Revolving Loan Fund and appropriated \$250,000 in tax increment funds for the program. In 2003, the City's Craft and Cultural Arts Department was reorganized and many programs were eliminated, including the Cultural Arts Revolving Loan Fund. Subsequently, the City of Oakland had an opportunity to participate in a collaborative program of a regional association called the Arts Loan Fund, administered by the Northern California Grantmakers. Redevelopment Agency Resolution Number 2005-0055 C.M.S. was established to rescind Resolution Number 94-43 and authorized the Agency's participation in the Arts Loan Fund managed by the Northern California Grantmakers. Redevelopment Agency Resolution Number 2005-0055 C.M.S. also authorized a \$10,000 contribution each year for the first three years, and determined that thereafter annual

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contributions will be recommended to the Redevelopment Agency as part of the Cultural Arts and Marketing Division budget during the Agency's biannual budget process in an amount ranging from \$0 to \$10,000.

ANALYSIS AND POLICY ALTERNATIVES

ALF is a useful resource for nonprofit arts organizations in the San Francisco Bay Area. Due to the complex and arduous process required to disburse Cultural Funding awards, Cultural Funding grantees often wait 12-16 weeks to receive their grant disbursements. ALF offers a loan product that uses the applicants' pending CFP grant award as loan collateral. The program's quick processing time ensures that CFP grantees do not have to postpone or cancel their projects. The \$4,000 contribution recommended in this report is based on the CFP's available operating funds, and staff's assessment of a reasonable and appropriate contribution.

The ALF is a collaborative program run by members of Northern California Grantmakers. Representatives from local arts grantmaking agencies serve on the Arts Loan Fund steering committee, which holds monthly meetings where prospective loans are evaluated and voted on by membership. The ALF is independently funded by its members, which include corporations, foundations, and local city government programs. The ALF was created by art funders to alleviate short term cash-flow issues for arts organizations. ALF Policies and Guidelines are outlined in **Attachment A**.

The City of Oakland's Cultural Funding Program ("CFP") Coordinator currently participates in the ALF steering committee as the City of Oakland representative. The CFP Coordinator co-chairs the ALF steering committee, attends the leadership team meetings, and presents one peer learning session each year. Since 2005 the fund has provided for quick-turnaround loans and aid to organizations to develop sound financial habits that advance their mission. See **Attachment B** for a copy of the request letter from ALF.

FISCAL IMPACT

In FY 2018-19, \$4,000 is available from the Measure C: Transient Occupancy Tax (TOT) Surcharge Fund (2419), Cultural Arts and Marketing Org (85511) and the TOT Surcharge-Cultural Grants Project (1000458) to contribute \$4,000 (one-time) to the ALF Corpus, for the grant period FY2018-2021.

PAST PERFORMANCE, EVALUATION, AND FOLLOW-UP

The ALF website information is made available on the City of Oakland Cultural Affairs website, and a presentation is made at the grantee contracting workshop. Over the past five years, 15 Oakland arts nonprofit organizations have used the services of the ALF by receiving a loan, using the consultation services, or returning for collateral loans.

COORDINATION

The Cultural Affairs division of the Economic and Workforce Development Department consulted with the Budget Bureau, and the City Attorney's office in the preparation of this report and resolution.

SUSTAINABLE OPPORTUNITIES

Economic: Arts organizations face unique cash-flow challenges, including delayed grant awards, seasonal earned and contributed income, and complexity in projecting program tuition and ticket sales. While businesses and larger non-profits can rely on commercial banking for cash-flow needs, small to mid-sized arts organizations have a harder time accessing capital. A loan from the ALF can be a practical financial tool that, when used properly, signals proactive financial planning.

Environmental: There is no environmental impact.

Social Equity: The Arts Loan Fund (ALF) is administered by the Northern California Grantmakers (NCG). ALF steering committee members represent a cross-section of funders from private and community foundations and government agencies. Programs and services are marketed to arts organizations in nine Bay Area Counties. In addition, ALF meetings are an opportunity for Oakland's CFP staff to network with other local arts funders to share information and recruit grant review panelists

ACTION REQUESTED OF THE CITY COUNCIL

A Staff Recommendation That The City Council Adopt A Resolution Authorizing The City Administrator To Enter Into A Grant Agreement In An Amount Not To Exceed \$4,000 With Northern California Grantmakers As A Contribution To The Arts Loan Fund Corpus for FY2018-2021.

Sabrina B. Landreth, City Administrator


Subject: Contribution to Northern California Grantmakers Arts Loan Fund

Date: December 20, 2018

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For questions regarding this report, please contact Roberto Bedoya, Cultural Affairs Manager, at (510) 238-2136.

Respectfully submitted,



MARK SAWICKI

Director, Economic & Workforce Development

Reviewed by:

Roberto Bedoya, Cultural Affairs Manager

Prepared by:

Denise Pate, Cultural Funding Coordinator

Attachment A: Arts Loan Fund Guidelines

Attachment B: Request Letter

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Life Enrichment Committee
January 15, 2019

Arts Loan Fund Steering Committee

Policies

Updated January 26, 2017

INTRODUCTION

The Arts Loan Fund began in 1981 as a collaborative loan fund modeled by the Emergency Loan Fund of Northern California Grantmakers. The Board of Directors of Northern California Grantmakers ratifies its decisions.

STEERING COMMITTEE

Membership Criteria for Active Steering Committee Participation

ALF Membership will be contingent on criteria listed below and not based on NCG membership. This measure increases inclusiveness, helps build cross sectoral partnerships, and encourages steering committee membership.

- A member is a community foundation, corporate foundation or corporate giving program, a family foundation, focused funds and philanthropic giving circle, governmental grantmaking agency, independent foundation, donor advised fund, operating foundation, or public foundation.
- ALF member organizations must have an arts grantmaking component to their organization.
- Members of the ALF cannot be 501(c) 3 grant applicants to members of the ALF (grantmaker-to-grantmaker partnerships and grant collaborations excepted).
- ALF Membership is aligned with institutions not individuals.
- A funding organization joining the Arts Loan Fund should make a minimum contribution within a year of joining.
- Due to varying grantmaking budgets, a minimum contribution amount is not required. However, funders are encouraged to contribute generously to the Arts Loan Fund based on the size of their arts grants portfolios and their capacity to give.
- Every funder is expected to contribute to the Fund either annually or over any given three-year period to hold a seat on the Steering Committee. Exceptions will

Northern California Grantmakers

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be made at the discretion of staff and the Committee Chair(s) for funding organizations that make an exceptionally large gift at one point, but may not contribute again for a period of more than 3 years, as well as for funders needing flexibility in the contributions schedule.

- Funders can claim a hardship exemption provision during years that their budgets cannot accommodate a contribution to ALF.
- Staff will send all ALF Committee members an annual letter reminding them of the ALF financial contribution requirement and informing them of their giving history in the month of November.

Conflict of Interest

- All ALF members are required to sign and adhere to a Conflict of Interest Policy (See addendum)

Quorum

- The necessary quorum required in order to approve an ALF loan is five (5) members – including a co-chair designee and four additional ALF Committee members.

Voting

- Voting is by a majority of the people at the meeting or voting by proxy. If a quorum has been reached and people leave the room, the committee may continue with business even if the quorum is no longer met.
- Each member (i.e. organization) has one vote although more than one representative can attend meetings.
- Voting rights can be exercised in person or by proxy. Steering Committee Members may submit their proxy votes by fax or email, or they may elect to assign their proxies to a named member attending the meeting. In the rare case of a member's both submitting a proxy vote and assigning a representative to attend the meeting, a vote made by the representative person who is present at the meeting overrides the written proxy

Abstentions

- The ALF Committee encourages members to abstain from voting on a loan if there is a conflict of interest. If a member disagrees with a loan, the member should be encouraged to vote no.
- As minutes may become public documents, they will include abstentions by name when there is a conflict of interest.

Loan Deliberations Off-Cycle or due to Meeting Cancellations

- In the case that a meeting needs to be cancelled at which a loan was scheduled for review; or an off-cycle loan decision is needed for another, compelling reason, **the following** procedures are approved:

- An email will be sent to all members with the attached loan application. The email will contain the date of the off cycle loan discussion and instructions to contact Co-chairs or NCG staff if committee members ~~have any comments regarding the applicant or application.~~
 - Co-chairs meet by phone and have the authority to make the determination.
 - NCG staff sends the outcome of the decision to all members following the call.
 - There is no limit on how many off-cycle loans are made in a given period, but after an organization's first one, future requests will be scrutinized closely for appropriateness.
- Using Discretion -- Committee members should be reminded that email is not private and committee members are encouraged to use discretion.

Committee chair and co-chair selection

- The ALF Chair (or Co-chairs) will be selected for a two-year term by current chair (or Co-chair if appropriate) and NCG staff (ALF program officer), with notification and input from committee members prior to selection. Final approval is by the ALF Committee. When deemed appropriate, a Co-chair can be selected at the discretion of the sitting ALF Chair and NCG staff.

Guest Speaker Selection Guidelines

1. The purpose of inviting guest speakers is to learn about the field, best practices, policies affecting arts & culture; to foster collaboration; and to assist in the professional development of the ALF Steering Committee.
2. All members are welcome to submit suggestions to Co-chairs for consideration and are encouraged to help organize the guest speaker panels with support from staff.
3. Approval for speakers must go through the ALF Co-chairs.
4. Speakers must not use the ALF appearance as a way to solicit funds for their organization; and whenever possible, the ALF should invite more than one organization to speak to a given issue.
5. In compliance with NCG's Effectiveness & Accountability Principles, at no time will any guest attending the ALF meeting receive an advantage over other arts & culture organizations as a result of their attendance.

ELIGIBILITY

Loans are available to **arts and cultural organizations** that support and/or provide a range of art disciplines: arts education, dance, folk and traditional arts, literary arts, media arts, multidisciplinary, museums, music, musical theater, opera, presenting, theater, and visual arts.

Applicant type: Applicants must be a 501(c) (3) nonprofit organization, or be fiscally sponsored by one.

Budget Size: The ALF acknowledges that the primary market for ALF loans is small/mid-sized organizations but there remains no budget ceiling for applicant organizations.

Geography: Nonprofit arts organizations located in Alameda, Contra Costa, Marin, Monterey, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma counties are eligible to apply to the ALF. Geography is established contingently around funders who are on the Steering Committee. The ALF may extend eligibility to counties beyond those currently eligible if there is at least one active ALF members who are knowledgeable about the nonprofits in those regions.

Frequency: At the 2011 policy meeting, the committee decided not to impose a limit on the total number of loans that an organization can receive from the ALF.

LOANS

Types of Loans

The ALF provides six types of loans: Arts Education, Benefit/Performance, New Revenue, Secured Bridge, Quick Qualifier, and Unsecured Cash-Flow.

- **Arts Education**

Amount: Up to \$50,000

Interest Rate: 1% below Prime

Description: Secured loan to assist organizations providing arts education programs to local students with cash flow needs so they can pay their teaching artists on time and cover program-related expenses.

Criteria: Evidence of ability to repay loan can either be (1) signed contract from a local school district or individual school OR (2) Evidence the contracting school district has budgeted and approved the arts education program with applicant by submission of USD meeting minutes. Repayment can include up to four equal installments and all loans must be paid in full by the end of the school year (June 30th).

- **Secured Bridge**

Amount: Up to \$50,000

Interest Rate: 1% below Prime

Description: Secured loan to help with cash flow needs or to help organizations start planning for program related expenses before a related grant or contract is received.

Criteria: These loans must be secured by a current government contract, an approved grant or other guaranteed income. Confirmed sources of income cannot exceed four contracts. Pledges from individuals cannot be used as the

confirmed source of income. Written proof of the confirmed source of income must be submitted and the cash flow statements must show that the loan will be repaid in full within 30 days after each confirmed source of income is received.

- **Benefit or Performance**

Amount: Up to \$50,000

Interest Rate: 1% below Prime

Description: A Benefit loan is for organizations needing upfront capital to plan and hold a fundraising event. A Performance Loan is to help with upfront costs associated with producing a performance or series of performances. It is also used to help with cash-flow so the borrower can pay its artists and facility costs before it receives related box office receipts.

Criteria:

- The agency has two years of experience in putting on a similar benefit or performance.
- The agency has an active board that participates in planning and implementing fundraising activities.
- There is a fully developed plan for the benefit or performance that includes costs, projected income, location, performers and publicity.
- The cash flow statements must indicate that the loan can be repaid from the gross proceeds.
- The agency should estimate box office/number of anticipated attendees.
- The loan must be repaid within 60 days.

- **New Revenue**

Amount: Up to \$50,000

Interest Rate: 1% above Prime

Description: Loan may be used for new revenue streams or cost-saving opportunities such as expanding a program that requires up-front costs for personnel, consultants, supplies, or facility rentals.

Criteria: Repayment plan is determined by NCG staff and borrower, can be monthly, quarterly, or a balloon payment. Loan repayment can be up to two years' time.

Unsecured Cash-Flow

Amount: Up to \$50,000

Interest Rate: 1% above Prime

Description: Can be used for any cash flow need(s) as identified by the applicant, including implementing a cost-savings plan and capital purchases. Loan

can be used to renovate a facility, lease or purchase equipment or new technology, bring a workspace up to code, or lease new computers and software.

Criteria: Repayment plan is determined by NCG staff and borrower, can be monthly, quarterly, or a balloon payment. Repayment can be from a combination of several sources of unrestricted income, including general operating support grant awards, sales from gift shops, individual gift pledges, etc. Loans must be repaid within 12 months.

- **Quick Qualifier Loan**

Interest Rate: 1% below Prime

Amount: Up to \$10,000

Description: Used to help with cash flow needs or cover program related expenses before a related grant or contract is received.

Criteria: Require fewer details and documentation than other loan types. Quick Qualifier applications require the organization to submit its most recent year-to-date and current year-end financial statements. However Quick Qualifier applications do not include details on the organization's line of credit, other loan possibilities, consequences of not receiving the loan, a Funders Report, or a cash flow projection.

Criteria for Film, Video and Media Projects

- Applicants must be a nonprofit agency providing a variety of services to film, video, and media artists and producers.
- Applicants that are nonprofit producers of film or video will be reviewed under the following guidelines:
 - Production is not for commercial use.
 - The project is eligible for funding from members of the ALF, the CAC, the NEA, California Council on the Humanities, Bay Area Video Coalition, San Francisco Film Society, Frameline Completion Fund, Horizons Foundation, and Pacific Pioneer Fund.
- When Media is considered Art:
 - Media is art when it acts as a means to express oneself or communicate an experience or worldview to others.
 - Projects should also have a clearly stated artistic intent.

The Committee reserves the right to determine the eligibility for media organizations and individual artists on a case by case basis.

Use of Loan Funds – Loan funds can be used to support a variety of projects, even festivals, parades, and film/video projects (with special limitations), In the fall of

2007, the ALF Committee considered establishing parameters on how loan funds can be used for activities outside of the Bay Area. The Committee decided **not** to add a specific policy on how loan funds can be used by organizations for activities outside of the Bay Area. The Committee approved this decision unanimously.

Application Timeline

Applications are due three weeks prior to each ALF Steering Committee meeting for consideration at the upcoming meeting.

Interest Rate

The interest rate will remain at 1% below prime and fixed throughout the life of the loan with a maximum of 6% for all "Secured" loans.

Unsecured Cash-Flow and New Revenue Loan will have an interest rate 1% above the Prime Lending Rate.

The Steering Committee will vote on adjusting the interest rate each time the Prime Lending Rate changes as noted in the online listing of the Wall Street Journal. The interest rate will be assessed based on the date of the applicant's online submission.

ALF interest rate for "Secured" loans increased from 2.5% to 2.75% and "Unsecured Loans" were set at 4.75% on January 2017, in accordance with the federal prime lending rate increasing to 3.75%.

Calculating Loan Interest

Loans accrue interest on a daily basis based on the annual percentage rate shown in the promissory agreement and is amortized over the life of the loan. Loan repayments received are applied first to interest and then to principle.

Loan Delinquency & Defaults

Delinquent Loan: Is defined as any loan where payment is more than 10 days past the due date, and where the loan recipient has failed to request an extension in writing to the Arts Loan Fund prior to the loan being due.

Default Loan: Any loan where payment is more than 90 days past the payment due date.

Should default occur, the entire unpaid amount shall become immediately due and payable without notice.

Collections policy: Within six months of the most recently negotiated due date, staff will send default loan recipient a written communication of ALF's policy to send default loans to collections, unless there is good faith attempt at repayment.

If a lawsuit is brought to enforce payment, the loan applicant organization promises to pay all attorneys' fees and court costs incurred. This provision is included in all loan agreements.

Penalty for Late Payment

A 2% penalty of the remaining balance is assessed on all loans that are not repaid on their final due date. To promote clarity, the penalty fee is to be assessed on the outstanding balance of the loan.

Loan Extensions

- If a loan recipient is unable to repay its loan by the due date, it must request an extension from the ALF stating the reasons and its plans for repayment. It must also identify the source of repayment.
- Requests for extensions must be made 30 days prior to the loan due date. Organizations that fail to request extensions prior to the loan due date may not be granted a Class I extension.
- If the loan is not repaid on time through no fault of the organization then no penalty is assessed so long as the borrower has been making small payments on the loan and the request is made prior to the final due date (Class I) Staff can agree to an organization's first-time extension request provided Staff determines the requests meets the definition of a Class I extension, listed below. Staff will provide the committee with an update when this has been assessed.
- Definition of Class I Extension:
 - The borrower made a formal request to extend payment on the loan, before the due date.
 - The borrower has been in active communication with NCG prior to the due date.
 - The borrower has made small payments towards their debt, and
 - The borrower is not at fault for the default of the loan and had a verifiable reason of not repaying the loan.
- If the loan is not repaid on time but the confirmed source of income (CSI) was received and the organization elected to pay other bills rather than repay the ALF, or due to poor planning, the organization cannot repay its loan, it will be defined as a Class II extension. A penalty of 2% flat fee will be applied to the outstanding balance of the loan. Staff can inquire if the CSI has been received and if so, how it was used, and will present a loan extension write-up containing new cash flow projections and recent financial information to the Steering Committee for approval of the extension request and new repayment terms. The Steering Committee has the ability to modify the proposed repayment terms.
- Should the borrower default (again) on its extension (the final due date) and it has not been in communication with the staff, another 2% late penalty will be

assessed on the outstanding balance of the loan at the time the loan defaulted.

- ~~Borrowers with a Class II extension are eligible to reapply for an ALF loan in the future, after a one year rest period between the time the outstanding loan was repaid and the time of their new application.~~

Write Offs

In observance with California state law which prohibits an organization from pursuing any debt that is more than four years old, it is critical that the ALF Steering Committee and Staff remain consistent in its practices in its attempt to collect loan payments.

- If a loan has defaulted and the borrower has made no attempt to communicate to the ALF about a repayment schedule after six months from the date when the loan went into default, Staff will recommend the loan be sent to a collection agency.
- If a loan has defaulted and the collection agency is unable to retrieve payment, Staff will recommend legal action.
- In all cases mentioned above, the Steering Committee will consider the recommended actions as proposed by Staff and will use the above guidelines to collectively decide how to proceed.
- If the ALF has exhausted all options in retrieving repayment, the Steering Committee will write the loan off.
- Borrowers, whose ALF loan has been written off, are no longer eligible to re-apply for an ALF loan.

Rest Period

There must be a minimum three month rest period between repayment of a loan and consideration of a new request by the ALF. Organizations who received a Class II extension on their most recent ALF loan must observe a one year rest period. An organization may only have one active loan at a time from the ALF.

Loan Loss Reserve

The ALF shall maintain a reserve for uncollectible loans and the determination of reserve amount is reviewed not less than annually by the steering committee. Additionally, NCG conducts a quarterly analysis of the reserve, making general ledger adjustments per its policy for financial disclosure of impaired assets.

Analysis of the reserve includes a review of the history of bad debt, point rating of each outstanding loan and a forecast of potential write-offs. The ALF favors a loan loss reserve that is no less than 3% of outstanding loans. The reserve can

be greater to reflect impaired assets, which can include not only loan principle, but accrued interest on principle.

Any loan write-offs approved by the Steering Committee will be allocated from the ALF loan loss reserve.

LOAN PAPERWORK

Promissory Note Signing

- The Executive Director and one Board Officer are expected to come in person to the NCG offices to sign the Promissory Note in order to receive the loan check. If there is a vacancy in the Executive Director's position, then two Board Officers must sign for the loan. Upon signing the forms, copies of the paperwork are made and the original copies are given to the loan recipient except the Promissory Note. This document is kept until the loan is paid off at which time it is marked "Paid" and then sent to the loan recipient organization.
- If a loan recipient organization is located outside the city of San Francisco, then the loan promissory note can be sent via overnight mail to the organization and be signed and then returned. The loan check can then be delivered by overnight mail as well.

PRIVACY OF INFORMATION ABOUT LOAN PARTICIPANTS

We, as the Arts Loan Fund, in order to ascertain whether or not to approve a loan to an arts organization, collect an increasing amount of data. This data concerns not only the financial aspects of the organization, but often information regarding personnel.

Information that is shared at the ALF meetings, whether in writing or during deliberation, is held as confidential and is not to be shared with non-ALF members or agencies except as directed by ALF members.

As stewards of ALF funds, staff and committee members have ethical responsibilities in all decisions he or she is called upon to make concerning the fund, its collective history, its background on agencies and its relationship with agencies. Deliberations should always be reflective and inclusive of the interest and the goals of the agencies that are served.

This statement is neither meant to confine nor inhibit a member's participation on committees or boards. On the contrary, it is expected of all members of the ALF to use their general knowledge of arts organizations to assist in the strengthening of the arts community.

February 26, 2018

Roberto Bedoya
Cultural Affairs Manager
City of Oakland, Cultural Affairs Division
1 Frank Ogawa Plaza, 9th Floor
Oakland, CA 94612

Dear Mr. Bedoya,

On behalf of the Arts Loan Fund (ALF) and Northern California Grantmakers, we would like to thank you for the commitment, thought leadership, and resources that the City of Oakland, Cultural Affairs Division has provided the ALF. This letter serves as a reminder that ALF member organizations are required to make a contribution to the fund at least once every three years. The City of Oakland, Cultural Affairs Division is due for a contribution as the last one was in January 2015 in the amount of \$210.00. Your contribution will be instrumental in providing quick-turnaround, low-interest loans to arts and cultural organizations in the Bay Area.

This past year the ALF began to make shifts to its loan underwriting, in light of the data gathered in 2016 that was conducted to further understand the current arts ecosystem and identify any opportunities for the ALF to adapt and better serve the community.

In response to the data, the ALF launched three new loan products: Arts Education Loan, for non-profits who rely on contracts with schools and/or school districts, New Revenue Loan, enabling non-profits to pursue new revenue streams and providing up to two years to pay back the loan, and the Unsecured Cash-Flow Loan, which borrowers can use for a particular challenge their organization is facing. The ALF also modified current loan products, including increasing the maximum amount borrowed for Benefit & Performance loans, as well as reducing the number of requirements to apply for a Quick Qualifier Loan. The ALF also launched a beautiful new website and tweaked applications to enhance user experience and built a social media presence through Twitter and Facebook.

In 2018, the ALF will continue to make shifts to better meet the needs of the sector, increase efficiency in providing services, and further develop community among steering committee members. The ALF is not only a resource to borrowers, but also to funders. It provides a confidential forum for grantmakers to ask colleagues questions about local arts organizations, opportunities for members to share the exciting work their organizations are doing, and a place to learn about issues in the field through peer learnings.



**NORTHERN
CALIFORNIA**
GRANTMAKERS

Your support will ensure sufficient funds exist to support arts organizations' creative work and that our meetings will continue to be robust, engaged learning opportunities. If the City of Oakland, Cultural Affairs Division plans to make a contribution this year, please contact Krystle Chipman at kchipman@ncg.org to let us know what your organization will need to move forward.

Phuong Quach
Vice President, Member
Engagement
Northern California
Grantmakers

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Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A GRANT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$4,000 WITH NORTHERN CALIFORNIA GRANTMAKERS AS A CONTRIBUTION TO THE ARTS LOAN FUND CORPUS FOR THE PERIOD OF FY2018-2021.

WHEREAS, The Redevelopment Agency of the City of Oakland adopted Resolution Number 94-43 C.M.S. on June 28, 1994, establishing the Cultural Arts Revolving Loan Fund and appropriated \$250,000 in tax increment funds for the program; and

WHEREAS, in 2005, Redevelopment Agency Resolution Number 2005-0055 C.M.S. was established to rescind Resolution Number 94-43 and authorized the Agency's participation in the Arts Loan Fund (ALF), managed by the Northern California Grantmakers; and

WHEREAS, Redevelopment Agency Resolution Number 2005-0055 C.M.S. authorized a \$10,000 contribution each year for first three years, and determined that thereafter annual contributions will be recommended to the Redevelopment Agency as part of the Cultural Arts and Marketing Division budget during the Agency's biannual budget process in an amount ranging from \$0 to \$10,000; and

WHEREAS, the ALF is a useful resource for nonprofit arts organizations in the San Francisco Bay Area; and

WHEREAS, ALF offers a loan product that uses the applicants' pending Cultural Funding Program (CFP) grant as loan collateral and the program's quick processing time ensures that CFP grantees do not have to postpone or cancel their projects; and

WHEREAS, a representative from the City of Oakland, Cultural Affairs Division currently participates on behalf of the City, as a member of the Arts Loan Fund Steering Committee; and

WHEREAS, Fiscal Year 2018-19 funds for this contribution to the ALF by a grant to the Northern California Grantmakers are budgeted as follows: \$4,000 from the Transient Occupancy Tax surcharge, which will be reserved for arts grants in the Measure C: Transient Occupancy Tax (TOT) Surcharge Fund (2419), Cultural Arts & Marketing Org (85511), Cultural Funding Program TOT Project (1000458); now, therefore, be it

RESOLVED: That the Oakland City Council hereby authorizes the City Administrator to enter into a grant agreement with Northern California Grantmakers in an amount not to exceed \$4,000 to serve as a contribution to the Arts Loan Fund; and be it

FURTHER RESOLVED: That the above grant shall be paid from the Fiscal Year 2018-19 funds budgeted in the amount of \$4,000 from the Transient Occupancy Tax surcharge in the Measure C: Transient Occupancy Tax (TOT) Surcharge Fund (2419), Cultural Arts & Marketing Org (85511), Cultural Funding Program TOT Project (1000458) to contribute \$4,000 (one-time) to the ALF Corpus, for the grant period FY2018-2021; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator to conduct all negotiations; execute and submit all documents, including but not limited to agreements, amendments, modifications, payment requests, and related actions which may be necessary for the completion of the grants, without returning to Council; and be it

FURTHER RESOLVED: That the Office of the City Attorney will review the grant agreement for form and legality, and a copy will be filed in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE: FORTUNATO BAS, GIBSON MCELHANEY, KALB, KAPLAN,
TAYLOR, THAO, and President REID,

AYES -

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California