

## Legislation Details (With Text)

<b>File #:</b>	19-401	<b>Version:</b>	1
<b>Type:</b>	Report	<b>Status:</b>	Agenda Ready
<b>File created:</b>	4/22/2019	<b>In control:</b>	City Council
<b>On agenda:</b>	4/29/2019	<b>Final action:</b>	
<b>Title:</b>	Consider the SECA Commission recommendations as part of the 2019 Comprehensive Special Events and Cultural Amenities Grant Fund workshop		
<b>Sponsors:</b>			
<b>Indexes:</b>			
<b>Code sections:</b>			
<b>Attachments:</b>	1. 2016 DECISION MATRIX, 2. 2018 DECISION MATRIX, 3. 2019 DECISION MATRIX		

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

## CITY COUNCIL AGENDA ITEM

**ACTION REQUESTED:**

Consider the SECA Commission recommendations as part of the 2019 Comprehensive Special Events and Cultural Amenities Grant Fund workshop

**DEPARTMENT:** City Clerk's Office

**SUBMITTED BY:** Pam Gallahue, PhD, Director-City Clerk

**BOARD/COMMISSION REVIEW:**

The SECA Commission formed several task force groups to consider and make recommendations on certain identified concerns with the grant fund. The task force groups then reported out to the full Commission who now presents the recommendations for Council review.

**BACKGROUND:***History of the Culture Fund/SECA Grant Fund*

In March 2004 Councilwoman Ellingson introduced the idea of creating the Culture Fund (later renamed the Special Events and Cultural Amenities Grant Fund) to be used to supplement, and cover, the expenses associated with hosting social and artistic events. Funds would be generated from a 1% food and beverage tax and City financial support of these events would be removed from the General Fund.

*Recent Comprehensive Reviews*

Since its inception, the SECA Grant Fund program has been reviewed regularly and, including this 2019 review, has been updated four times in the past three years.

In 2016, two SECA Grant Fund program workshops were held. The first, in January, was designed to serve as a primer for the new City Council while the second, in August, was held after a

comprehensive review of the program. The SECA Commission requested consensus on nine recommendations and the City Council concurred with eight of the suggestions. The 2016 Decision Matrix is attached.

In 2018, staff and the SECA Commission again conducted a review of the program and presented four recommendations. The City Council concurred with all four. The 2018 Decision Matrix is attached.

#### *Current Review*

After the 2019 allocations were approved by the City Council in February, the SECA Commission formed several task forces to review current and anticipated concerns facing the program. Recommendations to address four issues will be presented.

#### **DISCUSSION:**

In order to pose thoughtful recommendations, the SECA Commission divided into four task forces to review and deliberate topics. In addition to the Commission's three process and procedural improvements, staff has remained cognizant of the two significant events that will be leaving Naperville in 2019 and 2020 and the impact it will have on SECA. As such, a recommendation regarding the funding gap is also being made.

#### ***Recommendation #1 - Creation of grant fund sub-categories to provide more funding level detail***

The City Council has concurred with the Commission's past recommendation to maintain the variety of grant awards. Currently, applications are designated by staff to be in one of four categories: capital, cultural amenities, new initiatives, and special events. This year, the SECA Commission is proposing to establish grant categories that not only greater define the diversity of cultural amenity applications, but also create distinct sub-categories ("buckets") of grant money that applicants may apply for, each holding a certain percentage of the annual discretionary SECA funding amount. The proposal is to allocate 50% of the total SECA fund to each of special events and cultural amenities. The cultural amenity grant awards would be further sub-categorized as follows:

- Capital projects/permanent installations
- Visual arts/temporary installations
- Performing arts
- New initiatives
- Call for Projects - specific annual theme

The annual percentage recommendation for each of these sub-categories will be based on historical award trends. The new Call for Projects category will be modeled after the current Social Services Grant "set-aside" methodology where Council will be surveyed to decide the annual theme. Applicants responding to the call for projects must meet the same eligibility and reporting requirements as all other grant recipients. Unallocated funds in this, and other sub-categories, will be made available to other SECA grant fund areas.

#### ***Recommendation #2 - No implementation of a grant sunset policy***

A common discussion around the SECA Grant Fund program is whether it should seed new applicants or support them in perpetuity. The SECA Commission considered mandating that organizations become ineligible after a number of years. The Commission is not in favor of

implementing a sunset policy, but rather believes it can evaluate an organization's efforts to become self-sustaining through the application process and consider evidence of support via data gathered in the Final Report that is submitted after each event. Based upon this information, the Commission can recommend an appropriate grant award, which may range from \$0 to fully funding the request.

***Recommendation #3 - Revise the grant application and reduce the number of SECA Commission workshops***

Each year, the information submitted by potential awardees on the grant application becomes better and more meaningful. As such, the SECA Commission asks fewer clarifying questions and, as evidenced this past year, the need for a second workshop has become unnecessary. To support this recommendation, staff will further refine the application and, in lieu of the second workshop, a Q/A process will be implemented so inquiries can be made, and answers provided, prior to the first workshop. Not only will this reduce questions from the dais, but also eliminate the need for applicants, or their designees, to attend a second Saturday morning workshop. With the elimination of the second workshop, the 2020 grant season will be as follows:

- September 2019 - Applications due for funding year 2020
- October 2-9, 2019 - Commissioners' Q/A
- October 12, 2019 - SECA Commission workshop with applicants
- November 6, 2019 - SECA Commission meeting to finalize funding recommendations
- November/December 2019 - City Council review of SECA Commission recommendations

***Recommendation #4a and b - Christkindlmarket and Ribfest City services awards***

Recently, the City has learned that Christkindlmarket will not return to Naper Settlement beginning in 2019 and Ribfest will relocate outside of Naperville for 2020. These changes will make \$70,000 available in 2019 and more than \$300,000 available in 2020. The following two separate, but related, recommendations are being presented to the City Council.

***Recommendation #4a - 2019 Christkindlmarket award (\$70,000)***

Reallocate the award that has been declined by German American Events to fully fund all 2019 city services requests. By doing so, \$50,804 will be applied to other events, leaving a balance of \$19,196. That balance will be considered "underspend" and, per policy, applied to the 2021 grant year.

However, because staff and the City Council has been made aware that Naper Settlement intends to submit requests for the Christkindlmarket award, an *alternative* recommendation may be appropriate as shown below:

- 1) allocate the \$50,804 to 2019 City services,
- 2) table the recommendation to apply the \$19,196 underspend to the 2021 grant year, and
- 3) direct the Special Events Team to accept applications from the Naper Settlement, score the requests appropriately, and provide a recommendation to the City Council to be approved at a regularly scheduled public meeting.

***Recommendation #4b - 2020 Ribfest and Christkindlmarket awards (\$300,000)***

When combined, City services awards for these events have traditionally totaled more than

\$300,000. Staff is recommending soliciting community feedback on how these funds should be allocated in 2020. The software used for this year's SECA Challenge is a survey software and can be designed to allow residents to choose from preselected options (as determined by Council) and offer free-form, or open-ended, input. Responses to the survey would be consolidated and presented to the Council at its July 2019 meeting. At that time, a decision can be made and Council can direct staff on how to allocate the funds. After that, the resulting discretionary funding amount will be announced and applications for the 2020 SECA Grant Fund year will be made available in August.

**FISCAL IMPACT:**

Proposed reallocation of \$70,000 in 2019 and an estimated \$300,000 in 2020.