

**COUNCIL ACTION FORM**

**SUBJECT: FY 2021/22 COTA ANNUAL GRANT ALLOCATION INCREASE**

**BACKGROUND:**

On December 4, 2020, the City Council reviewed the Budget Guidelines for the FY 2021/22 budget process. At that time, the Council provided the Commission on the Arts (COTA) with authority to allocate \$193,093 to agencies and to the reserve for Special Project Grants.

COTA's recommendations were presented at the Budget Wrap-up Process on February 9, 2021. The recommendations included \$187,535 in grant allocations to agencies and a Special Project Grant reserve of \$5,558. **During that meeting, the City Council voted to increase COTA funding by \$30,640 as a one-time increase for a total COTA budget for the fiscal year of \$223,733, subject to receiving a memo from COTA expressing acceptance of the increase or outlining any concerns that they would like Council to process.**

COTA discussed the City Council's motion to increase the funding at its April 5 and May 3 meetings. **One of the issues expressed by COTA members was that the proposals had originally been judged on their merits, and the allocations proposed by COTA in February reflected more funding to the stronger proposals. Raising all awards up to the agencies' requested amounts nullifies that evaluation process.**

**As an alternative to increasing each award to the requested amount, COTA has recommended increasing each award by 15.9%, but not to exceed the amount originally requested by each agency.** This 15.9% figure is the amount of increase the City Council provided in February over the original budget authority provided in December 2020 (\$30,640 over the original \$193,093).

This proposal is intended to have several effects:

1. **It increases the funding for each agency.** No agency received its full request in the original evaluation of proposals. This proposal provides a supplemental amount for every agency. The increases range from \$125 to \$3,802.
2. **It allows for COTA's evaluation of the merits of each proposal to still have an effect.** Proposals that received a low original recommendation on their merits will receive the 15.9% increase, but never more than their full request. Proposals that received an original recommendation close to, but short of, their requested

amounts will be increased to their request. This increase could be less than 15.9%.

3. **It allows for additional funds to be put into a larger reserve for special projects.** The Special Project Grant Reserve is normally in the range of \$4,000-\$6,500 each year, which supports unanticipated project opportunities that take place in the fall and spring. This proposal would allocate \$16,341 to the Special Project Grant Reserve. Awards for these grants are normally limited to \$1,000 per grant. Therefore, this additional funding creates the opportunity to award more grants, grants of a larger dollar amount, or to create a supplemental round of grant funding. The deadline for fall 2021 special project grants has already passed and one request of \$1,000 was received. If this request is fully awarded, there would remain \$15,341 for COTA to allocate for spring projects of some kind.

The modified proposed budget amounts for each agency are provided on the attached page. If approved by the City Council, contracts would be prepared and sent to each agency. It would be indicated in each contract that the awarded funding consists of a COTA-recommended amount and a “One-Time COVID Supplement” amount. **In future budget analyses for the City Council and COTA, City staff will use the original COTA-recommended amounts to indicate the historical funding amounts received by each agency.**

#### **ALTERNATIVES:**

1. Approve COTA’s revised recommendations for FY 2021/22 Annual Grant awards and the Special Project Grant Reserve as outlined in the attachment, and direct staff to prepare contract documents.
2. Direct staff to prepare contracts with COTA agencies reflecting awards equal to the amounts requested by each agency.
3. Provide direction regarding other amounts to include in COTA contracts for FY 2021/22.

#### **CITY MANAGER’S RECOMMENDED ACTION:**

COTA has reviewed the original amounts recommended for each agency and has recommended that the increased funding allocation be used to provide each agency an increase of 15.9%, but not to exceed the amount requested by each agency, with the remainder being set aside for an enhanced Special Project Grant Reserve.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

<b>Organization</b>	<b>2020/21 Adopted</b>	<b>2021/22 Requested</b>	<b>2021/22 Original COTA Rec.</b>	<b>2021/22 One-Time COVID Supplement (15.9% up to Req. Amt.)</b>	<b>Revised 2021/22 Contract Total</b>
ACTORS	\$ 16,330	\$ 20,000	\$ 16,890	\$ 2,686	\$ 19,576
AIOFA	9,900	10,000	9,260	740	10,000
Ames Chamber Artists	4,742	5,500	4,858	642	5,500
Ames Children's Choirs	12,800	14,000	12,948	1,052	14,000
Ames Choral Society	3,704	4,000	3,610	390	4,000
Ames Community Arts Council	11,288	12,000	11,004	996	12,000
Ames Chapter of DMMOG	1,105	-	-	-	-
Central Iowa Touring Ensemble	4,025	-	-	-	-
Central Iowa Symphony	10,910	15,000	12,170	1,935	14,105
CoMotion Dance	3,239	-	-	-	-
Dancercenter Dance Company Foundation	2,568	5,000	4,050	644	4,694
Friends of Ames Strings	-	5,000	4,010	638	4,648
Good Company	1,750	1,950	1,825	125	1,950
India Cultural Association	8,951	15,000	10,175	1,618	11,793
KHOI	5,130	7,000	5,704	907	6,611
Kids CoMotion	2,900	3,000	2,716	284	3,000
Octagon Center for the Arts	47,583	49,500	47,114	2,386	49,500
Story Theater Company	13,530	32,925	23,913	3,802	27,715
Town & Gown	18,039	18,300	17,288	1,012	18,300
<b>Annual Grants Total</b>	<b>\$ 178,494</b>	<b>\$ 218,175</b>	<b>\$ 187,535</b>	<b>\$ 19,857</b>	<b>\$ 207,392</b>
<b>Reserve for Spring/Fall Special Grants</b>	<b>\$ 5,404</b>	<b>-</b>	<b>\$ 5,558</b>	<b>-</b>	<b>\$ 16,341</b>
<b>Total COTA Budget</b>	<b>\$ 183,898</b>	<b>\$ 218,175</b>	<b>\$ 193,093</b>	<b>-</b>	<b>\$ 223,733</b>

Note: Amounts highlighted in blue are capped because the requested amount is lower than 15.9% over the awarded amount.