

COUNCIL ACTION FORM

SUBJECT: ARTS CAPITAL GRANT PROGRAM APPLICATION AND CRITERIA

BACKGROUND:

The Adjusted FY 2020/21 City Budget included \$200,000 of General Fund savings that was allocated for a one-time Arts Capital Grant Program. This funding is included in the proposed budget carryovers for FY 2021/22.

Representatives from the Commission on the Arts (COTA) and Public Art Commission (PAC) have provided feedback regarding an application document and the process for reviewing applications and making awards (attached).

PROPOSED PROGRAM CRITERIA AND APPLICATION

The program would be open to individuals, non-profits, or businesses that propose projects that:

1. Create, renovate, or improve a space for arts or artists (e.g., performance space, exhibition space, classrooms, demonstration space, studio space, etc.)
2. Are located in Ames
3. Include matching funds of at least 25% from the recipient. Matching funds must be in the form of cash. In-kind contributions are not eligible for use as matching funds.
4. Are ready to proceed upon receipt of grant award (i.e., the project is not dependent upon securing additional funds, real estate, or other critical components)

It is expected that any number of individual awards could be made, up to the total of \$200,000 in available funding. No minimum award amount would be established. The application period would be approximately two months in length (due December 3), to provide applicants time to prepare their submittals.

Grant funds would be paid on a reimbursement basis based on receipts or contracts presented by the awardee during the project. However, to provide some flexibility for awardees to begin their projects, up to 10% of their total award could be paid out immediately.

Similar to the Human Services Agency Capital Grant program the City Council implemented several years ago, the Arts Capital Grant Program would include provisions to ensure the grantee continues to use the premises improved by the grant for at least five years after completion. If the awardee voluntarily ceases to operate, repayment of some or all of the grant award is required (100% repaid if cased in year 1, 80% in year 2, 60% in year 3, etc.). After five years, the grantee is free to continue or dispose of the improvements as it wishes.

The application requests information regarding how the applicant determined the need for the project, whether there are alternative facilities already in Ames that offer what is proposing to be funded/created, and how the project will benefit Ames and/or contribute to making Ames a fun and vibrant community.

Applicants will also need to describe the readiness of their project in terms of property acquisition and other financing secured for the project. A project budget is also required with the application. **A key evaluation component will be the number of people positively impacted by the project.**

APPLICATION EVALUATION:

Applications will be evaluated by a team of COTA and PAC members, which will make recommendations regarding projects to support and the amounts to award. These recommendations will be presented to the City Council in December or January for approval of contracts.

To ensure recipients are prepared to comply with the conditions outlined in the contracts, staff will host an orientation meeting with all recipients, where contract terms, the funding drawdown process, and other key points will be reviewed.

Given the potential for substantial projects that require planning and implementation time, it is proposed that the project completion date be June 30, 2023. The funding will need to be carried over into one more fiscal year to accomplish this.

ALTERNATIVES:

1. Approve the attached Arts Capital Grant Program outline and application
2. Direct staff to modify the proposed program and/or application
3. Do not approve the Arts Capital Grant Program outline and application, and do not proceed with the project.

CITY MANAGER’S RECOMMENDED ACTION:

The attached program outline provides a structure for arts capital grant proposals to be accepted and evaluated. The terms ensure grant applications will be evaluated based on their positive impact to the community, while providing assurances that the projects will be well-managed and will remain in place for several years.

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

Arts Capital Grant Program

Purpose

A competitive grant program for capital projects that create and improve spaces in Ames for arts and artists to flourish and contribute to making Ames a fun and vibrant community.

Grant Period

Projects undertaken through this grant must be completed prior to June 30, 2023.

Eligible Recipients

To be eligible for funding, recipients must:

1. Be an individual, non-profit organization, or a business entity
2. Demonstrate their capacity to successfully complete the project and meet grant requirements

Eligible Projects

Projects receiving funding must:

5. Create, renovate, or improve a space for arts or artists (e.g., performance space, exhibition space, classrooms, demonstration space, studio space, etc.)
6. Be located in Ames
7. Include matching funds of at least 25% from the recipient. Matching funds must be in the form of cash. In-kind contributions are not eligible for use as matching funds.
8. Be ready to proceed upon receipt of grant award (i.e., the project is not dependent upon securing additional funds, real estate, or other critical components)

Activities that are ineligible for funding include:

1. Operating expenses
2. Consumable supplies
3. Personnel costs
4. Supplementing an endowment or reserve fund
5. Repayment of debt or expenses already incurred
6. Activities that restrict participation on the basis of race, creed, color, sex, sexual orientation, gender identity, age, national origin, physical disability, or mental disability, or activities that require the purchase of a private membership.
7. Project proposals not submitted on required forms or not received by published deadlines, or not taking place within the specified grant period.

The City of Ames will be the sole judge of the eligibility or ineligibility of a project or recipient.

Total Program Budget and Award Size

The Ames City Council has allocated a total of \$200,000 to be awarded through this program. This is a one-time allocation of funding.

The funding may be awarded to any number of projects, up to the total available amount. There is no minimum amount for each grant award.

Application Requirements

Proposals must be submitted on application forms provided by the City of Ames. Incomplete applications will not be considered. Applications may be submitted electronically to brian.phillips@cityofames.org **Applications must be received and complete by 5:00 p.m. Friday, December 3, 2021 to be eligible for consideration.**

Application Review Process

Following the application deadline, a team consisting of representatives from the Ames Public Art Commission and the Ames Commission on the Arts will review the applications. Applications will be evaluated to ensure their compliance with the eligibility criteria. Selections will be made in part based on the number of people positively impacted by the project.

The team will prepare a list of projects and grant award amounts recommended for approval. Final approval will be made by the Ames City Council.

Contract Requirements

Grant recipients must sign a contract for funding describing the services to be provided and the terms of receiving funding. The contribution of funds provided by the City of Ames should be acknowledged by the recipient where practical for the project (e.g., signage, ribbon-cutting events, sponsor walls, etc.).

Grantees must provide the City of Ames a completed IRS W-9 form; grantees are responsible for complying with any state or federal tax obligations associated with the receipt of grant funds. **Grantees are responsible for complying with all state and local development and building code requirements. Approval of funding through this grant process does not imply or grant approval of any permit required to complete the project.**

Grant Funding Drawdown

Upon award of contract, recipients may request an initial drawdown from the grant in an amount not to exceed 10% of the total grant award.

Subsequent grant drawdowns may be requested by presenting documentation of the purchase of goods/services or a contract promising to pay for goods/services related to the project. Each grant drawdown will not exceed the amount of expenses actually incurred, as indicated in the documentation submitted.

Repayment Requirement

Grantees must occupy the premises improved with these funds for a period of at least five years from the date the improvements are completed. The recipient is required to repay any grant funds received in the event of any of the following during that five-year period:

1. Any portion of the improved property is sold, transferred, leased, or sub-leased to another party, unless the other party continues the operation funded by the grant.
2. Occupancy of the property by the grant recipient ceases for any reason, except for instances in which the property is destroyed or otherwise rendered uninhabitable due to fire, flood, wind, or other disaster.
3. Any default under or breach of the promises, terms, and conditions stated in the program requirements or the grant agreement.

Any grant funds required to be repaid will be repaid in accordance with the following schedule:

100% shall be repaid during the 1st year after completion of the improvements
80% shall be repaid during the 2nd year after completion of the improvements
60% shall be repaid during the 3rd year after completion of the improvements
40% shall be repaid during the 4th year after completion of the improvements
20% shall be repaid during the 5th year after completion of the improvements

Arts Capital Grant Application

Section 1 – Applicant Information

Name: _____ Email: _____

Organization (if any): _____

Mailing Address: _____ City: _____

State: _____ Zip: _____ Phone: _____

Describe the qualifications of the individual who will manage the proposed capital project and complete it according to the proposed budget and time frame (if different than applicant, provide the name of the person who will be responsible):

Section 2 – Proposal

Project Title: _____

Amount Requested: _____ Start Date: _____ End Date: _____

Location and Address of Proposed Capital Project:

Project Description:

How did you determine the need to undertake this project? What will this project allow you to do that you cannot already do?

How is this project unique? Are there alternative facilities that already exist in Ames that offer what you are proposing to create/improve?

Why is it important that you complete this capital project? How many people will be impacted by it? How will your project benefit Ames and/or contribute to making Ames a fun and vibrant community?

Section 3 – Project Readiness:

Does the applicant own the property at which the project will take place? _____

If no, describe what arrangements exist with the property owner to complete the project (e.g., lease terms that allow for improvements, etc.):

What methods did you use to obtain the project cost estimate used in this application?
 (e.g., estimate prepared by engineer, construction firm quotes obtained, etc.)

How much of the total funding needed for the project has been secured to date? _____%

For each item below, check whether your project requires that step to be taken and whether you have completed that step:

COMPONENT	REQUIRED FOR PROJECT?	COMPLETED/OBTAINED?
Landlord consent and/or property acquisition		
Design Documents (Plans and specifications developed by an architect/engineer)		
Site Development Plan, Variance, or any other development or zoning approval		
Building/Trades Permit(s)		
Loan(s)		

Describe your project timeline using the table below, including key milestones such as design completion, regulatory approvals, construction bidding, construction, project completion, and any other important dates:

MILESTONE	BEGINNING	ENDING

Section 4 – Project Budget

Complete the project budget table provided below:

FUNDING SOURCE	AMOUNT
Cash and Reserves	
Loan Proceeds	
Other Grants	
Donations (Cash)	
Donations (In-Kind)	
Other Source: (_____)	
Arts Capital Grant (This Request)	
TOTAL FUNDING	

EXPENSE	(A) AMOUNT FUNDED WITH CASH	(B) MARKET VALUE OF ANY IN-KIND DONATION	TOTAL EXPENSE (A+B)
Property Acquisition			
Design/Engineering			
Permits and Development Fees			
Construction			
Project Administration			
Furniture, Fixtures, and Equipment			
Contingency			
Other: (_____)			
TOTAL EXPENSES			

Explanatory notes to budget (optional):

Section 5 – Assurances

By signing this application below (electronically or otherwise), the applicant hereby:

1. Agrees that if funds are provided it will conduct its operations in accordance with the requirements of the Iowa Civil Rights Act of 1974 as amended, which bars discrimination against any employee, applicant for employment, or any person participating in any sponsored activity on the basis of race, creed, color, national origin, religion, sex, sexual orientation, gender identity, age, or physical or mental disability; and
2. Agrees it will expend funds received as a result of this application solely on the described activities.
3. Affirms that the figures, facts, and representations made in this application, are true and correct to the best of its knowledge; and
4. Affirms that the filing of this application has been authorized by the governing board of the applying organization.

Signature: _____ Date: _____

Printed Name: _____

Position: _____