

September 6, 2017

## MEMORANDUM

**To:** Members of the Civil Rights, Utilities, Economic Development & Arts Committee  
**From:** Asha Venkataraman, Council Central Staff  
**Subject:** Council Bill 119037: Office of Arts and Culture Proviso Lift

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The Civil Rights, Utilities, Economic Development, and Arts (CRUEDA) Committee plans to discuss and vote on CB 119037 on Tuesday, September 12. This bill would lift a proviso imposed in the 2017 Adopted Budget ([Green Sheet 68-1-B-1](#)) on \$1.3M in funds in the Office of Arts and Culture (OAC) Capital Arts BCL to be spent on funding agreements for projects by Town Hall, the Nordic Heritage Museum, the Burke Museum, and Hugo House.

The proviso prohibited spending these funds until Council passed a future ordinance, and it anticipated that Council would not pass such an ordinance until the Executive shared negotiated contracts detailing the public benefits each institution would deliver in exchange for the City's funding. The negotiated contracts are attached to CB 119037, and the public benefits are summarized below. Lifting the proviso will allow OAC to enter into a separate contract with each of the four institutions.

### **OAC Awards and Public Benefits**

The Washington State Constitution prohibits gifts of public funds. As a result, OAC contracts with arts and cultural organizations to provide funding for construction or renovation in exchange for public benefits to city residents. OAC has defined public benefits in the context of arts and culture as "events/presentations, rehearsals/previews, planning/research, meetings/consultations, workshops, scholarships, educational/interpretive programs, archives or discounted/free use of facilities/equipment targeting a broad segment of the city."

### **Historical Funding**

The Council appropriated funding for Town Hall, the Nordic Heritage Museum, and the Burke Museum in the 2016 budget and for those projects and Hugo House in 2017 in the amounts listed in Table 1. OAC negotiated a separate set of public benefits for the contracted funding in 2016.

**Table 1: Summary of Cultural Projects Funding**

	<b>2016 Adopted</b>	<b>2017 Adopted</b>	<b>Total Funding</b>
<b>Town Hall</b>	\$500,000	\$350,000	<b>\$850,000</b>
<b>Burke Museum</b>	\$500,000	\$350,000	<b>\$850,000</b>
<b>Nordic Heritage Museum</b>	\$500,000	\$350,000	<b>\$850,000</b>
<b>Hugo House</b>	\$0	\$250,000	<b>\$250,000</b>
<b>Total</b>	<b>\$1,500,000</b>	<b>\$1,300,000</b>	<b>\$2,800,000</b>

**CB 119037 Contracts**

The public benefits OAC negotiated in the 2017 contracts is in addition to those benefits agreed up on for the 2016 funding. Unless otherwise noted, the organizations will provide these benefits in perpetuity.

*Town Hall:*

OAC plans to provide an additional \$350,000 to Town Hall to fund renovation to the existing facility, including an upgrade of building systems. In exchange for this funding, Town Hall will provide its entire Arts and Culture series free of charge to persons 22 and under once programming resumes at the renovated building in November 2018. Town Hall also plans to conduct outreach to make underrepresented and marginalized communities aware of the free tickets, and Town Hall will actively invite such communities to take advantage of the tickets. Town Hall has already started to collaborate with the Office of Immigrant and Refugee Affairs to connect with these communities. The free ticket program will continue for 5 years, at which point Town Hall will reevaluate whether to continue the program voluntarily.

*Nordic Heritage Museum:*

OAC plans to provide an additional \$350,000 to the Nordic Heritage Museum to fund construction of a new museum. This museum will contain a permanent exhibition space, a visiting exhibition space, a cultural resource center, classrooms, a craft studio, an auditorium, and climate-controlled storage space for artifacts. In exchange for this additional funding, the Nordic Heritage Museum will implement a new membership category to create accessibility for families participating in the Supplemental Nutrition Assistance Program (SNAP). The membership for SNAP participants will cost \$10 per household (an 87% discount compared to the standard \$75 cost). The Nordic Heritage Museum anticipates about 672 households will participate in this new membership category (10% of the total number of SNAP participating households in the 7<sup>th</sup> Congressional District), but the Museum will provide discounted memberships to any and all SNAP participants. Lastly, the Nordic Heritage Museum will actively advocate for more programming to support SNAP-participating families at other museums, and commits to using its affiliations and memberships in regional associations to spread information about this membership model.

*Burke Museum:*

OAC plans to provide an additional \$350,000 to the Burke Museum to fund construction of a new museum, including permanent exhibition space, new visible workspaces to share preservation work with the public, and a new collection management system, and integrating exhibit spaces with research labs and visible collections storage. In exchange for the City's construction funding, the Burke Museum has agreed to provide all students participating in onsite school programs with an adult return pass and a youth admission to the museum. The passes are intended to increase public access, provide opportunities for ongoing engagement with students and families, and increase intergenerational learning through student sharing of knowledge with their families on return visits. The Museum anticipates distributing 8,000 passes annually based on the historical level of participation for a full school year, though the number could be higher depending on future participation.

*Hugo House:*

OAC plans to provide \$250,000 to Hugo House to purchase a 10,000 sq. ft. commercial space, which will include six classrooms, a flexible auditorium, a common work room for group activities, and space for writers in residence and staff. In exchange for the City's funding, Hugo House has agreed to provide free or reduced field-trip admission to schools with a majority of low income students. It will also provide free weekly drop ins to writing circles, which occur three times a month and is open to all ages. Hugo House also agreed to rent classrooms for free to organizations serving low income communities and those serving communities of color. Lastly, it has committed to providing up to 150 free tickets to fee-based events such as Lit Series and Word Works to students, artists, teachers, and communities that do not normally have access to the arts.

**Issues**

Below are several potential issues Councilmembers may want to consider for discussion:

- Will the City be asked to make additional contributions towards one or more of the projects?
- What is the process by which OAC will consider granting capital funding to organizations in the future?

**Attachments:**

1. Green Sheet 68-1-B-1-2017

cc: Kirstan Arestad, Central Staff Director  
Dan Eder, Central Staff Deputy Director