



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 02/07/2023

ITEM NO: 17

DATE: February 1, 2023

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Consider the Following Items Recommended by the Art and Culture Commission:

- a. Receive the Arts and Culture Commission's Three-Year Plan Consisting of Capital Improvement Program (CIP) Funding for Completion of the Gateway Project and Annual Funding for Maintenance of Existing Town-Owned Public Artwork; and
- b. Authorize the Town Manager to Enter into a Memorandum of Understanding with Silicon Valley Creates; and
- c. Grant permission for Arts and Culture Commissioners to Solicit Philanthropic Funding for Future Public Art Projects

RECOMMENDATION:

1. Receive the Arts and Culture Commission's three-year plan consisting of Capital Improvement Program (CIP) funding for completion of the Gateway Project and Annual funding for maintenance of existing Town-owned public artwork; and
2. Authorize the Town Manager to enter into a Memorandum of Understanding (MOU) for partnership with Silicon Valley Creates; and
3. Grant permission for Arts and Culture Commissioners to solicit philanthropic funding for future public art projects.

BACKGROUND:

The Arts and Culture Commission (ACC) last presented an arts plan to Council in April of 2017. That plan contained elements focused on a variety of projects, funding ideas, and arts engagement. From the elements of that plan the ACC has been successful in bringing a Percent for Arts from Development ordinance to Council, as well as completed two of five Gateway sculptures to welcome residents and visitors to Town.

PREPARED BY: Ryan Baker
Library Director

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

BACKGROUND (continued):

While the ACC is proud of the accomplishments it has made for the Town, the Commissioners feel generally that many other aspects of that plan were not able to come to fruition due to limitations for arts funding. The ACC has been working over the past year to revise its workplan to a smaller project focus and a larger vision for partnerships and alternative funding.

The ACC has been working to create an achievable three-year plan that it wishes to implement between FY 2023/24 to FY 2025/26. The ACC believes that the growth of public art in Town will create vibrancy, promote a sense of place, boost economic vitality, and engage the community. The ACC recognizes that the costs of robust public arts programs is often substantial while Town resources are limited, therefore the ACC has kept both a narrow scope of vision for this proposed plan in addition to proposing a mechanism for obtaining future funding and adding regional strength through proposed partnerships.

DISCUSSION:

The ACC's proposed plan consists of four points:

- 1. Complete the ACC's Gateway Project by committing CIP funds in the amount of \$37,000 per year over the next three years.** The Town and ACC have installed two of an envisioned total of five Gateway sculptures at points of entry/exit to Town. The ACC proposes to commission and install the final three at a rate of one per year between FY 2023/24 and FY 2025/26. The requested funding would be added as a CIP item and would cover the cost of the artist commission, fabrication, and installation for each Gateway sculpture as well as on-site installation costs incurred by the Parks and Public Works Department. The final three locations being considered are Winchester Ave near Highway 85, one location to be determined near the western border of Town, and one location to be determined near the eastern border of Town. Council approved the artist and concept design of the additional Gateway sculptures at Town Council meeting on November 16, 2021.
- 2. Fund annual maintenance Town-owned public art at an estimated cost of \$2,500 per year.** Funds would be added as a line item in the Parks and Public Works Department's budget and would not be expended if not needed in any given year. Maintenance of Town-owned public art includes the costs of cleaning, repairs, graffiti removal, and other maintenance related costs.
- 3. Establish a partnership with Silicon Valley Creates (SVC) which includes allowing SVC to act as a non-profit fiscal agent on behalf of the Town for handling donations for future public arts projects.** SVC is a 501c3 non-profit organization that operates across Santa Clara County to promote public art, foster communication across arts agencies, connect arts agencies with grant opportunities, and raise the visibility of the creative sector. The ACC proposes entering into an agreement with SVC with a Memorandum of Understanding (MOU) (Attachment 1).

DISCUSSION (continued):

This agreement would allow the ACC to leverage SVC resources to strengthen the arts in Los Gatos while also allowing the ACC to contribute to the larger arts ecosystem of Santa Clara County. In addition to providing opportunities for programs, networking, grants, and collaboration, through this agreement SVC has also volunteered to act on behalf of the Town and the ACC as a fiscal agent for the purpose of receiving and expending private donations, corporate matching funds, or philanthropic giving to support the Town's future public arts projects.

This would allow for greater opportunities for local philanthropic giving to support future Town-initiated public arts projects. Examples of these projects are envisioned to include sculpture commissions, murals, utility box artwork, or other permanent and publicly accessible artwork that adds to the vibrancy and character of the Town. Funds would not be envisioned to be dispersed to non-profit third-party agencies or organizations that are capable of pursuing fundraising through their own means. Town Council would retain ultimate authority for expenditure of collected funds for public art in keeping with the spirit of the agreement except in cases where donation use is specified by the donor.

4. Grant permission for the ACC Commissioners to solicit private donations, corporate matching funds, and philanthropic giving to support future Town-initiated public arts projects.

The ACC understands that Town funds are limited. Being conscientious of this, the ACC has actively been discussing ways to create an alternative funding model to supplement the cost of future Town-initiated public arts projects. The ACC envisions a three-point model for alternative funding and is currently seeking Council approval to test this model with the intention of having accumulated alternative funds available for use to supplement Town-initiated public arts projects by the beginning of FY 2026/27. This component ties to the 2040 General Plan Policy PFS-25.4: *Encourage Private and Public Funding for the Arts* (Attachment 3).

1. *Percent for Arts Development In-Lieu Contributions.* This program, by which developers may either install public art or contribute an in-lieu fee for future public art at 1% of building valuation for private developments, was approved by Council on April 20, 2021. Although no funding has yet been collected through this mechanism, it is anticipated to have accumulated some funds for use by FY 2026/27. No additional action is needed on this item.

2. *Solicitation of donations/sponsorships, corporate matching funds, and general philanthropy.* The ACC believes that there is potential for alternative funding for Town-initiated public arts through these mechanisms and is seeking approval per the Town's Solicitation and Donation Policy (Policy Number 2-17) (Attachment 2) to allow the ACC Commissioners to conduct

DISCUSSION (continued):

targeted solicitation to test whether this is a viable alternative method for public arts funding. The Town Council approved the Donation List which includes Public Art on May 17, 2022.

3. *Grant opportunities.* The ACC is requesting approval for its Commissioners to apply for eligible arts grants on behalf of the Town. Under normal circumstances, such grants would fall under the purview of Town staff; however, the ACC understands that staff resources are limited and envisions the opportunity to engage in and submit such applications as they are discovered. Grants that require match funding would only be pursued if/when funding is available through the aforementioned mechanisms.

CONCLUSION:

The ACC is committed to furthering the arts in Los Gatos for the benefit of residents, visitors, and community vitality. The Commissioners express their thanks for Council's consideration of the plan as presented. If the Council supports these budgetary recommendations, they will be brought forward for Council's consideration with other budget direction at the February 21st Town Council meeting.

ALTERNATIVES:

Council may approve all, none, or any combination of the four parts of the ACC plan presented here with or without modification, limitation, or additional direction. Council should strongly consider how other Town Boards and Commissions may interpret any proposals of this plan as it pertains to precedent or scope of responsibility. Should Council not be in favor of any part of this plan, staff advises that clear direction be given to the ACC as it pertains to solutions for securing long-term funding to support Town-initiated public arts projects and clear work plan direction for the Commission.

FISCAL IMPACT:

The requested actual costs of \$118,500 would be divided as \$39,500 per year over three fiscal years beginning in FY 2023/24 with \$37,000 per year directed to the CIP budget for the Gateway project and \$2,500 per year to the PPW operational budget for maintenance of Town-owned public artwork. If Council agrees with the requests by the ACC, it should provide this direction for the preparation of the Proposed FY 2023/24 Operating and Capital Budgets. Potential alternative funding amounts for future projects cannot be determined at this time.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

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SUBJECT: Arts and Culture Commission Three-Year Public Arts Plan

DATE: February 1, 2023

Attachments:

1. Memorandum of Understanding between SVC and Town of Los Gatos
2. Donation and solicitation policy, Policy number 2-17
3. Excerpt from 2040 General Plan, pages 6-31 and 6-32.
4. SVC white paper on the Business of Arts and Culture
5. Americans for the Arts green paper on Public Art