



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 8/15/2017

Agenda Placement: 6V

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Helene Franchi for Minh Tran - Interim County Executive Officer  
County Executive Office  
**REPORT BY:** Carlos Solorio, Management Analyst - 707-253-4825  
**SUBJECT:** Actions regarding the Special Projects Fund FY 2017-2018

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### **RECOMMENDATION**

County Executive Officer requests the following actions regarding the Special Projects Fund:

1. Approval of and authorization for the Chair to sign an agreement with Napa County Regional Park and Open Space District for 60% of the Fiscal Year 2017-2018 Special Projects Funds for the term July 1, 2017 through June 30, 2028, as directed by the Board on May 9, 2017; and
2. Approval of the following Arts and Culture Advisory Committee grant award recommendations and authorization for the Chair to sign the corresponding grant agreements for the term August 15, 2017 through August 14, 2018:

#### **Arts and Culture Capacity Building Grant Program (\$109,737):**

Nimbus Arts: \$30,000  
E&M Presents: \$7,771  
Cinema Napa Valley: \$30,000  
Napa Valley Performing Arts at Lincoln Theater: \$16,400  
Napa Valley Youth Symphony: \$5,566  
Upstage Napa Valley/Calistoga Theater Company: \$5,000  
Napa Valley Museum: \$15,000

#### **Visitor Management Grant Program (\$149,560):**

Napa Valley Museum: \$23,100  
Napa Valley College Auxiliary Services Foundation: \$10,000  
Napa Shakes/Napa Valley Shakespeare: \$20,000  
Nimbus Arts: \$25,000  
Napa County Fair Association: \$30,000  
Cinema Napa Valley: \$18,230  
Napa Valley Vine Trail: \$18,230

Napa Music Collective: \$5,000

### **EXECUTIVE SUMMARY**

In 2012, the Board authorized the continued funding of the three priority areas of the Special Projects Fund through Fiscal Year 2017-2018: 60% for Parks and Open Space (60%), 30% for Visitor Management, and 10% for Arts and Culture. Also, on May 9, 2017 the Board directed staff to continue funding to the Napa County Regional Park and Open Space District, using 60% of the Special Projects Funds per fiscal year for the term July 1, 2017 through June 30, 2023.

Approval of today's action will allow for the orderly execution of an agreement with the Napa County Regional Park and Open Space District, and approval of the last of the five year commitment to Arts and Culture and Visitor Management grant programs, as recommended by the Arts and Culture Advisory Committee at the May 19, 2017 and July 17, 2017 advisory committee meetings.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	SPECIAL PROJECTS FUND 10540
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Funding of Arts and Culture and Visitor Management grant proposals is not required by law, but is part of a five-year commitment and priority of the Board of Supervisors.
Is the general fund affected?	Yes
Future fiscal impact:	Funding for these grant programs beyond Fiscal Year 2017-2018 will be based on direction provided by the Board of Supervisors.
Consequences if not approved:	If these recommendations are not approved, staff will request Board direction on the award of grants for Fiscal Year 2017-2018.

Additional Information:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

In November 2004, Napa County voters approved a 1.5% increase in the transient occupancy tax (TOT) rate charged to visitors renting hotel and motel rooms in the unincorporated area. The increase took effect on January

1, 2005 and was not dedicated to any specific purpose. As a result, the Board established the Special Projects Fund for projects related to Parks and Open Space, Visitor Management and Arts and Culture and committed an annual contribution of 12.5% of the prior calendar year's total transient occupancy tax revenues to the Special Projects Fund, fiscal conditions permitting. In 2012, the Board authorized the continued funding of the three priority areas of the Special Projects Fund through Fiscal Year 2017-2018:

- Parks and Open Space (60%)
- Visitor Management (30%)
- Arts and Culture (10%)

Of the 10% designation for Arts and Culture projects, 25% is reserved for art-related projects and programs proposed by the Arts Council Napa Valley (ACNV). The remaining 75% is reserved for the purpose of awarding Arts and Culture Capacity-Building grants. The 30% designation reserved for Visitor Management includes a 5% designation to fund the Arts Council's producer participation in Arts in April, 66% for Visit Napa Valley marketing projects approved under the Napa Valley Tourism Improvement District Management District Plan, and 29% for additional Visitor Management grant proposals.

In 2012, the Board adopted Resolutions 2012-81, 2012-152, and 2015-124 and established the Napa County Arts and Culture Advisory Committee to conduct and oversee the grant programs and make recommendations to the County on the award of grants. The Advisory Committee assists with the development of grant eligibility criteria and grant guidelines, provides an application process and application forms, appropriately advertises and calls for grant proposals, holds grant training workshops as needed, develops scoring criteria for evaluation of grant applications, and makes grant award recommendations to the Board.

At the recommendation of the Committee, the Board authorized ACNV to convene two screening panels made up of arts and visitor professionals for the purposes of reviewing grant applications and screening for eligibility, which the Advisory Committee may accept or reject in full.

The Fiscal Year 2017-2018 Grant guidelines and eligibility criteria were finalized and approved by the Arts and Culture Advisory Committee on November 28, 2016. Guidelines for both, Arts and Culture - Capacity Building, and Visitor Management grant programs require that applicants be registered 501(c)(3) Organizations located in Napa County that operate within the mission that describes arts, Culture, and/or heritage as the primary purpose of the organization. In addition, proposals must clearly demonstrate to meet the goals of each grant category.

Grant program goals are summarized below:

**Arts and Culture:** The Capacity Building grant program in the Arts and Culture Grant Category is meant to foster strength within the operations and/or governance of non-profit arts and cultural organizations in Napa by providing new capital to address issues or opportunities, which non-profits would otherwise be unable to address. Seven of fourteen applications were recommended for funding.

**Visitor Management:** The Visitor Management grant program provides Napa County based non-profit organizations that operate with a mission that describes arts, culture and/or heritage as the primary purpose of the organization, with funds to amplify marketing to visitors and support programs that forward the goals of cultural tourism for Napa County. Eight of eleven Visitor Management grant applications were recommended for funding.

The application period for both Visitor Management and Arts and Culture grant categories opened on January 5, 2017 and closed on March 2, 2017. During the grant period, the County of Napa, in partnership with the Arts Council, offered a free informational seminar and grant writing workshop to support Arts and Culture non-profit applicants.

A total of 14 Arts and Culture-Capacity Building and 11 Visitor Management grant applications were received by the deadline. Applications were reviewed by two panels composed of experts in each one of the two categories, who provided comments to the Advisory Committee. The Arts and Culture Advisory Committee reviewed the applications and panel comments, discussed their scores and application proposals at a special meeting on May 19, 2017.

In early July, a question was raised about the guidelines and what an eligible non-profit agency was. The guidelines state that "These funds are eligible to registered 501(c)(3) nonprofits located in Napa County that operate within a mission that describes arts, culture and/or heritage as the primary purpose of the organization" however, there is no clear guidance on how that mission is determined as the agency's mission statement is not necessarily the same as what is stated on an agency's non-profit tax forms. The County's past practice has been to defer to the Advisory Committee to make determinations on these types of issues. On July 17, 2017 the Advisory Committee met to re-review grant applications and confirm eligibility based on 501(c)(3) status and mission of the organization. After considering the issue, the Advisory Committee made no changes to the previously selected awardees. A summary of the grant proposals, with advisory committee scores and comments has been attached to this report. Arts and Culture Advisory Committee grant award recommendations are summarized below:

Arts and Culture-Capacity Building:

- Seven grant proposals received scores ranging from 38-48.3 points on a scale of 1-50, with 50 being the highest possible score.
- Seven received scores ranging from 15 to 36 points.
- The seven highest scoring proposals were recommended for funding as follows:
  - \* Nimbus Arts: \$30,000
  - \* E&M Presents: \$7,771
  - \* Cinema Napa Valley: \$30,000
  - \* Napa Valley Performing Arts at Lincoln Theater: \$16,400
  - \* Napa Valley Youth Symphony: \$5,566
  - \* Upstage Napa Valley/Calistoga Theater Company: \$5,000
  - \* Napa Valley Museum: \$15,000

The total amount recommended for grants in the Arts and Culture-Capacity Building grant category totals \$109,737 of \$121,490 available for this grant category. The Advisory Committee recommends transferring the remaining \$11,753 in Arts & Culture grant funds to the Visitor Management program due to the greater number of qualified grant proposals in the Visitor Management category.

Visitor Management:

- Eight grant applications received scores ranging from 39.75 to 47.5 points.
- Three received scores ranging from 30 to 37.5 points.
- The eight highest scoring proposals were recommended for funding as follows:
  - \* Napa Valley Museum: \$23,100
  - \* Napa Valley College Auxiliary Services Foundation: \$10,000
  - \* Napa Shakes/Napa Valley Shakespeare: \$20,000
  - \* Nimbus Arts: \$25,000
  - \* Napa County Fair Association: \$30,000
  - \* Cinema Napa Valley: \$18,230
  - \* Napa Valley Vine Trail: \$18,230
  - \* Napa Music Collective: \$5,000

Staff requests Board approval of an Agreement with the Napa County Regional Park and Open Space District, as directed by the board, and approval of the Arts and Culture Advisory Committee grant recommendations and authorization for the Chair to sign the related agreements. Should the Board disagree with the Committee's

recommendations, staff requests direction on grant awards and authorization for the Chair to sign the related agreements in accordance with the Board's recommendations.

**SUPPORTING DOCUMENTS**

A . Arts and Culture - Capacity Building Summary

B . Visitor Management Summary

CEO Recommendation: Approve

Reviewed By: Carlos Solorio