



Community Redevelopment Agency
of the CITY OF LOS ANGELES

DATE / **APR 16 2009**

FILE CODE /

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CRA File No. 9028

Council District: 9

Contact Person: Susan Gray
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Honorable Council of the City of Los Angeles
John Ferraro Council Chamber
200 N. Spring Street
Room 340, City Hall
Los Angeles, CA. 90012

COUNCIL TRANSMITTAL:

Transmitted herewith, is a Board Memorandum adopted by the CRA/LA Board on April 16, 2009, for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

VARIOUS ACTIONS RELATED TO:

ESTABLISH PRE-QUALIFIED POOL OF 6 ARTS ORGANIZATIONS FOR A THREE-YEAR TERM FOR THE BUNKER HILL ARTS RETENTION PROGRAM, TO RECEIVE FINANCIAL ASSISTANCE IN A TOTAL AMOUNT NOT TO EXCEED \$275,600 IN THE PROPOSED FISCAL YEAR 2009-2010, WITH FUNDING SUBJECT TO AVAILABILITY OVER THE SUBSEQUENT TWO YEAR TERM.
BUNKER HILL REDEVELOPMENT PROJECT AREA
DOWNTOWN REGION (CD 9)

RECOMMENDATION

That City Council approve(s) recommendation(s) on the attached Board Memorandum.

ENVIRONMENTAL REVIEW

The proposed action does not constitute a "project" as defined by the California Environmental Quality Act "CEQA")

FISCAL IMPACT STATEMENT

There is no fiscal impact to the City's General Fund, as a result of this action.

Cecilia V. Estolano, Chief Executive Officer

cc: Alan Alietti, Office of the City Clerk (Original & 3 Copies on 3-hole punch)
Lisa Johnson Smith, Office of the CAO
Ivania Sobalvarro, Office of the CLA
Helmi Hisserich, Office of the Mayor
Noreen Vincent, Office of the City Attorney
Kathy Godfrey, CD 9 Chief of Staff

MEMORANDUM

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DATE: APRIL 16, 2009 CB6130

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CECILIA V. ESTOLANO, CHIEF EXECUTIVE OFFICER

RESPONSIBLE PARTIES: DAVID RICCITIELLO, REGIONAL ADMINISTRATOR
SUSAN GRAY, CULTURAL ARTS PLANNER
LEN BETZ, PROJECT MANAGER

SUBJECT: ESTABLISH PRE-QUALIFIED POOL OF 6 ARTS ORGANIZATIONS FOR A THREE-YEAR TERM FOR THE BUNKER HILL ARTS RETENTION PROGRAM, TO RECEIVE FINANCIAL ASSISTANCE IN A TOTAL AMOUNT NOT TO EXCEED \$275,600 IN THE PROPOSED FISCAL YEAR 2009-2010, WITH FUNDING SUBJECT TO AVAILABILITY OVER THE SUBSEQUENT TWO YEAR TERM.
BUNKER HILL REDEVELOPMENT PROJECT AREA
DOWNTOWN REGION (CD 9)

RECOMMENDATION

That the CRA/LA Board of Commissioners, subject to City Council review and approval, authorize the Chief Executive Officer or designee to establish a pre-qualified pool and enter into agreements with of 6 arts organizations for the Bunker Hill Arts Retention Program for a three-year term. Pre-qualified organizations will be eligible to enter into agreements with CRA/LA for financial assistance in a total amount not to exceed \$275,600 in the proposed Fiscal Year 2009-2010, with funding subject to availability of Cultural Trust Funds and Tax Increment over the subsequent two-year term.

SUMMARY

The recommended action provides for the selection of 6 pre-qualified arts and cultural organizations to assist with the implementation of the CRA/LA's objective of attracting and retaining high quality, financially responsible, community-based arts organizations to the Bunker Hill Redevelopment Project Area. The organizations were selected through a highly competitive Request for Qualification (RFQ) process. Pre-qualified organizations will be eligible for CRA/LA-sponsored partnerships that will enable the selected organizations to remain in, or be attracted to, the Project Area. The pre-qualified organizations are:

1. Angels Flight
2. Grand Performances
3. Esotouric
4. Museum of Contemporary Art
5. RED/CAT
6. Shakespeare Festival/LA

RE

Initial Action.

SOURCE OF FUNDS

Bunker Hill Cultural trust funds and tax increment

PROGRAM AND BUDGET IMPACT

Costs will vary and will be based on complexity of each organization's need and the availability of Cultural Trust Funds and Tax Increment over the three-year term. The recommended actions are consistent with the proposed FY2009-2010 Work Program and Budget, with future year work programs subject to approval over the three-year pre-qualification period.

ENVIRONMENTAL REVIEW

The proposed action does not constitute a project as defined by the California Environmental Quality Act.

BACKGROUND

CRA/LA has had a long-standing commitment to the Arts and Humanities, recognizing that they play a significant role in the overall revitalization, stabilization, growth and sustainability of communities. CRA/LA initiated an art organization retention effort for the Hollywood Project Area in 2006, and based on the success of that project, embarked upon a similar project to provide assistance for the North Hollywood Project Area in 2007, and Mid City Recovery Project Area in 2008. CRA/LA has since received the James A. Doolittle Leadership In Theatre Ovation Award from LA Stage Alliance, and the Public Art Award from the Hollywood Arts Council in acknowledgement of these efforts.

CRA/LA staff is fully cognizant that the recent surge in redevelopment activity in the Bunker Hill Redevelopment Project Area has put a tremendous amount of upward pressure on the property values and the ability of the arts and cultural organizations to stay in the project area. More and more property owners are either raising rents or looking for new tenants with greater economic capacity than arts organizations can provide. Further, CRA/LA staff understands that these organizations have historically been linked to the Bunker Hill Recovery Redevelopment Project Area, are an important part of the community and collectively offer a major cultural destination, and patrons attending arts organizations' performances and events provide significant economic benefits to local businesses such as restaurants, cafes and shops.

This program is in keeping with the CRA/LA's objective of attracting and retaining high quality, financially responsible, and community-based arts organizations within its Project Areas. Staff identified a need to establish a pool of pre-qualified organizations requiring CRA/LA assistance with financing and facilitating negotiations with developers. Assistance would include a range of activities including, but not limited to: public art commissions, interior/exterior improvements and property acquisition/rehabilitation for cultural facilities. In the event that CRA/LA funds are to provide for publicly owned improvements, staff will need to seek Board and City Council consideration and approval.

On November 7, 2008 a Request for Qualifications (RFQ) was released to establish a pre-qualified pool of organizations to participate in the Program.

Since it is anticipated that the list of pre-qualified organizations will remain in effect for a three-year term, CRA/LA staff pursued a variety of solicitation methods. These activities included:

- Mailing pre-solicitation notices on November 7, 2008 to 245 cultural and arts organizations.
- Pre-solicitation notices were also mailed to 130 non-profit and minority/professional business organizations to further expand CRA/LA's outreach. These organizations provided additional assistance in disseminating the pre-solicitation notices to their members.
- Posting the RFQ on November 7, 2008 on the websites of CRA/LA and the City of Los Angeles.
- Emailing the RFQ through LACultureNet (4,839 addresses).
- Advertising in the following newspapers: LA Times, Daily News, La Opinion, La Sentinel, Wave, Rafu Shimpo, ArtWeek, Black Business Listing, LA Weekly, Daily Breeze, and LA Citizen & Garment.
- Distributing the RFQ through CD 9 and the CRA/LA Downtown Art Advisory Panel.
- Hosting a Pre-Submittal Conference on December 11, 2008 and posting of transcript on CRA/LA website.

The RFQ closed on January 16, 2008 and as a result of the CRA/LA's outreach efforts 13 organizations formally registered as downloading the RFQ from CRA/LA's website and 12 organizations expressed interest in receiving the RFQ, of which 8 organizations responded with a submittal. A selection panel comprised of two CRA/LA staff members, two art community peers, and one community stakeholder evaluated the submissions on January 15, 2009. The panel reviewed the submittals utilizing the selection criteria detailed in the RFQ, including artistic merit, commitment to the Project Area, community benefit, etc. Based on the resulting scores, the panel recommended pre-qualification of 6 organizations:

1. Angels Flight
2. Grand Performances
3. Esotouric
4. Museum of Contemporary Art
5. RED/CAT
6. Shakespeare Festival/LA

Pre-qualified organizations will undergo a rigorous needs assessment, followed by a detailed strategic planning exercise to help staff determine the funding requirements. A consultant selected by CRA/LA will perform the assessments and strategic planning.

While organizations included on the pre-qualified list may be eligible to receive contracts from CRA/LA, organizations on this list are not guaranteed award of a contract.

BUNKER HILL PROJECT AREA ARTS RETENTION PROGRAM

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Cecilia V. Estolano
Chief Executive Officer

By

A handwritten signature in black ink, appearing to read "Glenn Wasserman", written over a horizontal line.

Glenn F. Wasserman
Chief Operating Officer

There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.