

13-0933  
prior of 04-1470

JUL 23 2013

ARTS, PARKS, HEALTH, AGING, BUDGET & FINANCE  
MOTION #RIVER


On November 29, 1988, the City Council enacted the "Arts Development Fee" ordinance (No. 164,243). The ordinance was further revised in 1991, with the creation of the Arts Development Fee Trust Fund (Ordinances No. 166,724 & 166,725). The ordinance established fees based on size for certain types of new construction authorized by building permits on given development projects. Such fees are to be used for provision of "adequate cultural and artistic facilities, service and community amenities for the project." Section 91.107.4.6 of the Municipal Code requires owners of development projects for commercial or industrial buildings to pay an arts fee (Arts Development Fee).

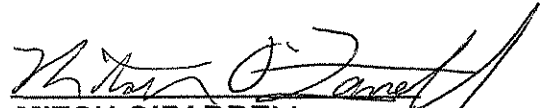
The Arts Development Fee is an exaction whereby owners of private development projects for commercial or industrial buildings are required to pay an arts fee in exchange for the right to develop the project and to lessen the burden placed on the City for services caused by the project. The amount of the fee is based on the project's type of land use; however, the amount of the Fee cannot exceed \$1.57 per gross square foot of any structure authorized by the building permit or one percent of the valuation of the project designated on the permit, whichever is lower, as determined by the Department of Building and Safety.

The Arts Development Fee Ordinance has not been amended in over two decades. In practice, the use of these funds is constrained in a number of ways. First, the multitude of separate and often small fund pools have made their comprehensive and coordinated use very difficult. Further, each fund is available solely to "the development project and its future employees" as opposed to the surrounding community at large. Finally, the code directs this funding to be used in compliance with the principals and standards of the five-year "Cultural Master Plan" being implemented at the time. However, this plan has long expired. To better serve the city's many diverse and distinct local communities new standards must be put in place to direct the use of these funds in public art capital improvement projects.

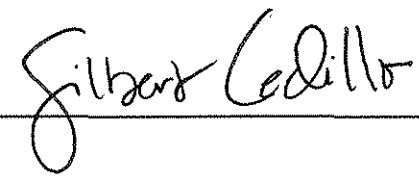
**WE THEREFORE MOVE** that the Council instruct the Department of Cultural Affairs, with the assistance of the Planning Department, the Department of Building & Safety, and the City Administrative Officer, and in consultation with the City Attorney, to prepare and present a report with recommendations and a draft ordinance to update the Arts Development Fee Ordinance, to update the amounts collected and the process for collecting and disbursing funds, as well as recommendations for expanding the types of projects generating Arts Development Fees and appropriate credits and exemptions.


CO-PRESENTED BY:

  
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JOSE HUIZAR  
Councilmember, 14<sup>th</sup> District

  
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Councilmember, 13<sup>th</sup> District

SECONDED BY:

  
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Gilbert Cedillo

  
JUL 23 2013

ORIGINAL