

Originator City Manager	Item Supplemental Cultural Arts Grant
Agenda Section Organizational	Date 9/26/2016

Description

At a study session on September 12, 2016, the City Council met with leadership from Artistry, one of the City’s partner arts organizations in the Bloomington Center for the Arts, to discuss the future direction of Artistry and its relationship with the City.

Artistry has been engaged in a strategic planning process and in recent years has made a number of changes that are transforming the organization, its artistic focus and offerings, and its financial position. The City of Bloomington has a significant interest in the success of Artistry given its prominent role in producing theater, gallery programming, and arts education at the Bloomington Center for the Arts (BCA), and providing box office services for most of the non-profit arts organizations using BCA. In addition, Artistry is a key partner of the City’s in South Loop creative placemaking efforts.

Artistry’s board and staff leadership believe the future of the organization depends on its ability to develop engaging arts programming that reflects our contemporary society while honoring and maintaining some traditional and familiar pieces; attract a broader and more diverse audience to ensure growth in patrons and participants; and, continue growing a regional reputation that has produced recent rave reviews for artistic excellence. These priorities are in alignment with the City’s strategic priorities for 2017-2020, particularly as they relate to Community Image and Diversity and Equity.

The transition from a traditional community theater/arts organization to a regionally celebrated and supported one will not occur overnight. Accordingly, ensuring a more predictable funding environment is critical if Artistry is to successfully navigate the next few years. Artistry believes that a “bridge” campaign to raise roughly \$1.5 million through 2020 is necessary to build the organization’s capacity for marketing and development, move past break-even operating budgets, and create a working capital fund to better manage the financial volatility that is not unusual for arts organizations.

The bridge campaign proposed by Artistry is designed to help the organization move to a model where its annual operating budget is 60% earned revenue and 40% contributed (donor) revenue, and includes consideration of a supplemental cultural arts grant from the City of Bloomington to leverage contributions from individual and corporate donors.

Staff was asked to provide some additional information regarding in-kind support of Artistry by the City as well as any information about the economic impact and reputational impact of arts to a community. At the time the agenda packet was prepared, this information was still being compiled. It will be provided to City Council prior to the meeting and mentioned during presentation of the item.

Following discussion at the study session, City Council directed staff to negotiate an agreement with Artistry to outline the terms of a multi-year commitment to a supplemental cultural arts grant intended to provide bridge funding as Artistry enters into the “quiet phase” of a capital campaign and a multi-year fundraising effort.

In exchange for a funding commitment through June 30, 2020, the Memorandum of Understanding includes two ex-officio board seats for the City; establishes minimum arts programming requirements for Artistry; assures box office operations continue; and, provides continued coordination and cooperation with the City’s cultural arts program to minimize conflicts and not disadvantage other BCA arts partners.

The City maintains the right to terminate the MOU with six (6) months of notice and also may reduce its contribution if Artistry’s fundraising campaign exceeds its goals.

If the MOU is approved, there are two possible sources for the 2016 allocation; the Strategic Priorities Fund or the Contingency Fund. Also, if the MOU is approved, staff will incorporate allocations for the next two years into the 2017 Budget and 2018 Conceptual Budget for Council consideration and adoption in December 2016.

Item created by: City Manager

Presenter: James D. Verbrugge, City Manager

Requested Action

Motion and second to approve the Memorandum of Understanding with Artistry for a Supplemental Cultural Arts Grant.

Attachments:

Memorandum of Understanding

Artistry “Next Generations” Campaign Overview