



**Economic and Cultural Grant Presentations
Draft Minutes
April 11 and 12, 2007 7pm
Civic Center, Council Chambers, 1175 East Main Street**

CALL TO ORDER

The Citizen's Budget Subcommittee meeting was called to order at 7:02 pm on April 11, 2007 in Council Chambers at 1175 East Main Street, Ashland Oregon.

ROLL CALL

Committee members Chapman, Heimann, Navickas, Silbiger, Stebbins and Thompson were present, Councilor Hartzell was absent on April 11. All were present on April 12.

STAFF PRESENT: LEE TUNEBERG, ADMINISTRATIVE SERVICES/ FINANCE DIRECTOR
 BRYN MORRISON, ACCOUNT REPRESENTATIVE

ELECTION OF A CHAIR

Silbiger/Chapman ms Heimann as chair. All ayes.

PUBLIC INPUT

None

STAFF REPORT AND PRESENTATIONS: In order of receipt.

Lee Tuneberg, Administrative Services/Finance Director spoke that \$155,749 is available from the Transient Occupancy Tax Revenue for Fiscal Year 2007-08. The amount requested is \$291,632. He spoke to an opinion from the City Attorney regarding a request from a grantee that cannot be accommodated, See Attached. Chapman/Stebbins ms to eliminate request based on opinion of attorney. All ayes.

Ashland Independent Film Festival- They are asking for \$30,000 and believe it is a good investment for the City of Ashland which results in \$2 million impact on the community. They had to eliminate an employee last year due to the City granting them less than they expected which resulted in others having to pick up more work.

Rogue Valley Symphony- They are able to expand their season with the strong support from the City of Ashland and have added 10 concerts to the series. 25 musicians are Ashland residents out of 65. ¾ of rehearsals take place at SOU. The program benefits Ashland activities and Cultural opportunities. Mr. Silbiger asked about the increased amount they asked for. They explained that they asked for more since they have expanded their season.

ScienceWorks- They spoke to the grant from the previous year and that they can track their visitors better now because of it. This year they will launch a media campaign. They are focusing on expanding their reach to visitors traveling from more than 50 miles. They expressed the need to build a donor base

locally. Ms. Thompson asked how many of the visitors are from the schools. They responded that out of the 50,000 about 10,000 are from schools. A majority of their member base is from Ashland.

St. Clair Productions- The organization is attracting more people each year, and they are tracked through a survey. They are asking for money to do more advertising outside of the area this year. They offer culture and education. Ms. Thompson asked about the \$7,000 profit result if they assume \$12,000 came from City. They responded that \$7,000 would support other aspects and programs of the organization. The request is specific to the Blues Festival.

Ashland Gallery Association- The association has grown to 32 members. Their focus is to produce the first Friday maps, website, and Taste of Ashland coordination. Peter Buckley does their marketing. They spoke that a portion of the funds requested goes to tourism, economic and cultural. Mr. Silbiger asked how many First Friday participants there are. They responded about 7,000. Taste of Ashland 800 people. Friday night Gala was about 450 people.

Nuwandart- This organization supports local artists and has been voted the most popular gallery. They spoke to how the community supports them and they have created youth art programs. They expanded the upstairs of their facility with the money from last year. They are working on an international art festival. Ms. Thompson questioned the theft that occurred and they verified it was May 10, 2006.

KSKQ Community Radio- No one appeared to present.

Lithia Arts Guild- This organization spoke to how they fit the classic profile of Ashland. The investment has followed the path of success that is Ashland. They have celebrated first nations day and enhanced the reputation of Ashland. They started over three years ago. In 2005 hosted 85 artists, 2,000 attended, grossed \$40,000. In 2006 they doubled in attendance. They help low to moderate people in our region. Mr. Silbiger asked if the wheelchair access that they are asking for funding for is a requirement from City. They responded that it is and they estimate it will cost between \$11,000-22,000. They explained that they would be applying for matching grant funds for the project and do not need the entire amount from the City. Ms. Thompson asked if they had looked into other sources of revenue. They explained they have a grant application in to Premier West Bank for staff costs and to help with the events. They are looking for other sources of funding. They spoke to the fees that they charge artists being a charge for 10% of their sales and 40% of that goes to the schools.

ArtWork Enterprises – This is the fifteenth year of the organization. The new plays festivals are decreasing nationally, but they keep going here locally. They hold their major event at Oregon Stage Works. They held a 24/7 event this year to produce a short play. They see a good potential for growth, but are not meeting their expenses currently. They would like to increase their marketing efforts while not increasing ticket prices. Ms. Thompson asked what the participation was. They responded at the 24/7 was 200 people. Average of 65-70 at the readings. 10 minute play festival is 350.

Ashland Bed and Breakfast Network- David Runkel spoke to the organization's request. They have the paperwork to apply for 501 c if needed. They would use the funds granted to them for an ad campaign. He spoke to Transient Occupancy Tax revenue they generate and that more money would come to the City if they received a grant. Mr. Heimann stated he would call the City Attorney to see if the committee could grant them funds. Mr. Tuneberg reminded them they would need to revote to consider granting funds. They could grant them funds contingent upon IRS letter and insurance. The committee agreed to not revote.

Youth Symphony- They spoke that the previous funding from the City has been an important benefit to leverage support from others. They encouraged the public to come to the performances. They stated how

the support is invaluable to sustaining concerts. Mr. Silbiger thanked them for the modest increase in the request from the previous year. They responded that the increase is to add a venue for the chamber music series.

Dancing People Company- They have been established since 2003. Their purpose is to develop a professional dance company in Ashland and establish community partnership. They would like to provide school for professional dance. They provide a two week residency at the high school now and would like to provide a school in the long term. The committee questioned the salaries. They explained that \$20,000 is the salaries of the program budget. That is for the creation of the programs and the 3 night performances next year. There are some volunteers and 10 staff members are paid.

The Jefferson Center-The focus of the support is advertising the summer institute at SOU. They would like a large number to come to participate. It is a three day program where workshops are geared towards action and they want to bring tourist dollars in for environmental action.

THRIVE- They spoke that Ashland is the only city in southern Oregon focusing on economic development by providing public funds. They support locally owned businesses and provide education for sustainability. When they can capture tourism dollars into locally owned businesses, it creates a multiplier for others. They helped with the Rogue Flavor campaign and this year will recognize businesses growing organically using renewable resources. They are asking for money for a new program that will help businesses look at their practices for sustainability. Mr. Chapman asked if someone is working towards a meat processing plant. They are volunteering on the effort.

Rogue Opera- They would not be able to offer so many outreach programs without the City's support. They are requesting funds to support the entire season. There was 18,000 students last year that enjoyed opera in the schools.

Friends of Ashland Public Library/Chautauqua Poets & Writers- They have been able to provide support to bring poets to Ashland. No one is paid, all are volunteers. They feel that literary arts are an important foundation for the community. They hope to create a writing festival. The committee discussed that the Friends of the Library is their umbrella sponsor for the 501 C and the school district will fulfill their insurance requirement. Mr. Tuneberg stated that the City would need a letter from the umbrella organizations verifying that.

Community Works-Mission Candles has been operated by Community Works for the last five years. It teaches youth job skills as part of a treatment program. They have developed marketing materials and a website and part time sales and marketing representative through the use of the grant funds. Mission Candles has been able to market candles nationwide. They have increased distributor sales to almost double. Increased sales has allowed increased hours of operation and increased teens that learn job skills. The funds requested from the City would continue the program and they hope to teach a curriculum on how the business operates. The committee asked what their product sales were from the previous year. They responded \$70,000. Ms. Thompson asked for a balance sheet to assess how the \$10,000 fits into the budget. They responded that could be provided. They assured the committee that the program does not make a profit, they are still absorbing the cost of the treatment program. There are 11 youth on staff currently.

Rogue Valley Community Development Corporation-This is the first year they have applied for a grant. They are asking for funds for a youth building program. They target extremely low income youth in their program and are asking for funds for tools, the crew leader's salary and a portion of mileage expense. They help develop low income housing in Ashland.

Peace House-They spoke to the Uncle Foods diner program that has been in the community for the last 15 years. It feeds low income and homeless and promotes and encourages the art of compassionately living on earth. They work with other non profits and grow the vegetables and produce that is used. These funds would support 30 weeks of salary of a coordinator. They model sustainable agricultural practices and will provide a United for Peace conference next fall that is modeled after Headwaters conferences. The point of the conference is that as elders in the community, we have a stake in promoting social change in Ashland with the youth. Ms. Thompson asked if the free food program had applied for a social services grant. They responded that they had not and see the program more as a social justice approach and as a community building program. They promote sustainability in the community.

Siskiyou Singers-They have the largest number of active participants among the applicants. They have been able to keep their fees low and have not increased them in 10 years. 1,000 attend concerts twice per year and they offer the lowest concert tickets in the valley. They bring a lot of people into Ashland and have an outreach program that goes to schools in the valley. The \$7,000 they are asking for covers almost 20% of their cost.

Ballet Rogue-They spoke to the 23 year history. They offer an extra day of business downtown on Mondays when Shakespeare was not operating. The Lithia Band shell is used to provide an expanded view of Ashland. They benefit the local economy at no charge and provide educational dance programs.

Southern Oregon Repertory Singers-Last year was the first year this organization received funds. This year they will make a connection between OSF and their concert by offering discounts to try to get people into town to have dinner and possibly stay. The committee discussed their ticket prices and they responded that ticket prices are \$15 and pay for about half of their costs, the board is responsible for raising the other through donations.

This meeting adjourned at 9:00 PM.

Continuation meeting on April 12, 2007

Ms. Hartzell asked to submit her proposals even though she was not at the presentations. There were no objections from the committee.

Oregon Stage Works presented their proposal. They are an economic benefit to the community and offer diverse plays and performances and an opportunity for developing artists in the community. They bring people to the railroad district and offered three original plays this past year by local playwrights. They will provide readings throughout the year and give children a place to express themselves.

DISCUSSION

Mr. Heimann stated that he spoke to the City Attorney and the City cannot grant funds to the Ashland Bed and Breakfast Network unless they follow the criteria established. Mr. Navickas stated that the City Council should think about why they give such a large share to the Chamber of Commerce and not these smaller grantees. Ms. Hartzell responded that it would take a change in the current resolution to change the allocation.

The committee discussed the proposed allocations. See attached.

Nuwandart- Ms. Thompson's concern is the benefit to the community as a whole. Ms. Stebbins added they are doing the same things as always and are vague on what they will do with the funds. Mr. Navickas stated that none of the employees are paid and they represent alternative art. Mr. Silbiger clarified that

they are a non profit under an umbrella organization, but Nuwandart is for profit. Mr. Heimann stated that the money was for an international film festival, not art here and they are not going anywhere with it. Majority \$2,500.

KSKQ- Ms. Thompson stated the City gave it a seed grant last year and they came back again this year. It is not appropriate for the City to fund a radio station. Mr. Silbiger added that they did not use the money for what they said they would last year. Mr. Navickas responded that they had a problem with FCC regulations and he sees them as an independent media source that they should invest in. Majority for zero.

Jefferson Center- Mr. Silbiger stated that last year they were called the center for religion. Ms. Thompson was uncomfortable last year but the organization seemed credible this year. Majority \$2,500.

Dancing People-Ms. Thompson thought modest funding was appropriate and it has cultural value. The committee discussed that there are not many dance companies that ask for funds from the City. Majority \$2,500.

Peacehouse- Mr. Chapman, Mr. Heimann and Ms. Thompson thought they should have applied for a social service grant. Ms. Hartzell thought the United for Peace was cultural. Mr. Navickas thought it would send a bad message to not support this organization. Ms. Thompson saw it as political event. The committee discussed that they could direct any organization through their contract, on how to spend the funds. Mr. Silbiger and Mr. Chapman support the garden portion. Hartzell/Navickas ms \$2,500 for peace garden. Motion failed. 4 to 3. Mr. Navickas stated that he found it ironic that Graham Lewis supported Peacehouse. Majority for zero.

The committee and staff verified that the chair is allowed to vote.

Ashland Independent Film Festival-Ms. Hartzell believes it is a priority this year and worthy of continual support. Ms. Thompson concern is that they are dependent on City funding for staff positions. Mr. Heimann noted that they were 80% sold out before opening and stated that he volunteers for them and there is no conflict of interest. Ms. Hartzell pointed out that they generate transient occupancy tax revenue. Chapman/Navickas ms \$22,000. Hartzell amended to \$22,500, Chapman did not agree. Majority \$22,000.

RV Symphony- Ms. Thompson stated that they are ongoing throughout the season and perform multiple events that add to the economy. Thompson/Stebbins ms \$15,000. Ms. Hartzell doesn't see the economic benefit relative to the film festival and that seems high. The committee discussed that they don't want people to ask for more than they need. Ms. Thompson withdrew ms. Thompson/Navickas ms \$12,500. Majority \$12,500.

Scienceworks- Ms. Stebbins and Mr. Silbiger think they do a wonderful job. Hartzell/Silbiger ms \$18,500. Majority \$18,500.

St. Clair- Ms. Stebbins expressed concern that they asked for twice as much and ask each year for the Blues Festival. Ms. Hartzell and Mr. Silbiger appreciated their impact on the off season. Thompson/Hartzell ms \$5,000. Majority \$5,000.

Ashland Gallery Association- Chapman/Thompson ms \$16,000. Majority \$16,000.

Lithia Arts Guild- Mr. Silbiger stated he supported the handicapped access ramp and that it would benefit the property. The committee discussed that they could specify how they wanted the funds used. The applicants addressed the committee and told them that the estimates they have received were from

\$11,000 or \$22,000 for installation. The \$11,000 portable one could be moved and used in different locations throughout the school district. Navickas/Thompson ms \$12,000, with \$5,500 for seed fund for wheel chair access. Heimann/Navickas amendment that the wheel chair access be donated to the school district if the grantee leaves the building. All Ayes. Majority \$12,000.

Artwork Enterprises- Silbiger/Thompson ms \$2,500. Majority \$2,500.

Youth Symphony- Silbiger /Thompson ms \$6,000. Majority \$6,000.

Southern Oregon Repertory singers- Ms. Thompson was willing to support to \$5,000 but comfortable with less. Ms. Stebbins doesn't see the need in the proposal. Chapman/Thompson ms \$4,000. Majority \$4,000.

THRIVE- Chapman/Hartzell ms \$15,000. Majority \$15,000

Rogue Opera-Ms. Stebbins felt it was critical to support. Mr. Chapman added they reach out into schools. Stebbins/Navickas ms \$12,000. Majority \$12,000.

Friends of Library- Ms. Thompson stated they have done valuable work in a short period of time. Navickas/Silbiger ms \$4,000. Majority \$4,000.

Community Works- Mr. Silbiger stated that they did not provide their budget and he saw it more as social service. Ms. Hartzell saw the support for children's treatment as building skills and economic development. Hartzell/Navickas ms \$5,000. Motion failed. Stebbins/Thompson ms \$2,500. Majority \$2,500.

RVDC- Mr. Chapman told the committee the City had recently granted them funds for a manager and felt they could grant more funds for tools. Hartzell/Silbiger ms \$3,000. Stebbins tools are \$1,000. \$2,500 is everything without crew leader. Motion failed. Stebbins/Thompson ms \$2,500. Majority \$2,500.

Siskiyou Singers- Ms. Thompson expressed concern that they ask the City for money rather than raising participation fees. Hartzell/Thompson ms \$2,500. Ms. Hartzell added that there are other organizations who don't ask for money, they just go do it. Pay to play more. Motion failed. Stebbins/Chapman ms \$4,000. Majority \$4,000.

Ballet Rogue- Mr. Navickas thinks it brings a lot to the community and is important to the community and added that it is free to attend. Chapman/Stebbins ms \$6,500. Majority \$6,500.

Oregon Stage Works- Ms. Thompson thinks they do a good job throughout the season. Thompson/Navickas ms \$10,000. Mr. Navickas pointed out that the City gives a lot to OSF. Mr. Silbiger added that the Cabaret dosen't ask for money. Motion failed. Stebbins/Chapman ms \$7,500. Majority \$7,500.

Adjustments were made to the initial proposals.

Rogue Opera-Ms. Hartzell asked to look at them and Lithia Arts Guild again. Stebbins is impressed with their commitment to schools. Mr. Silbiger suggested dropping to \$10,000. Mr. Chapman agreed. Chapman/Silbiger ms to reduce to \$10,500. Majority \$10,500.

THRIVE- Mr. Navickas wanted to reduce amount. Ms. Hartzell stated they are the only true economic development organization. Ms. Stebbins agreed. They discussed they could lower to \$13,500 and it would be more than last year.

Lithia Arts Guild- Ms. Hartzell suggested they ask the vendors to pay more. Mr. Navickas stated that they provide a venue for economic development. Ms. Hartzell responded they should be more self sustaining. Thompson/Stebbins ms give \$10,500 leave \$5,500 for ramp. Majority agreed.

The committee discussed the singing groups and reduced Siskiyou Singers and Southern Oregon Repertory by \$625 each.

To balance to the amount available, AIFF was reduced by \$1 to \$21,999.

Navickas ms to give \$11,500 to Lithia Arts Guild and reduce THRIVE by \$1,000 awarding only \$14,000. Motion failed. Navickas/Chapman ms to only require \$4,000 for ramp. Majority agreed. Motion passed.

Hartzell/Chapman ms this subcommittee to move the allocations to the full budget committee. All Ayes.

ADJOURNMENT

The meeting was adjourned at 8:45 pm.

Respectfully Submitted,

Bryn Morrison
Account Representative

Memo

DATE: April 11, 2007

TO: Lee Tuneberg, Administrative Services Director

FROM: Michael W Franell, City Attorney

RE: Request from Ashland Bed and Breakfast Network (ABBN) to waive nonprofit requirement to receive TOT grant funds.

ABBN has requested the City to consider waiving two requirements set forth in the Transient Occupancy Grant program: 1) the requirement that recipients qualify as a not-for-profit organization, and 2) the requirement that recipients provide liability insurance in which the City is a named additional insured. You have requested advice as to whether the City can waive these requirements.

The requirement that recipients qualify as not-for-profit organizations stems from the restriction in Article XI, Section 9 of the Oregon Constitution which provides in relevant part:

"No county, city, town or other municipal corporation, by vote of its citizens, or otherwise, shall become a stockholder in any joint company, corporation or association, whatever, or raise money for, or loan its credit to, or in aid of, any such company, corporation or association. ..."

This restriction has been interpreted by Oregon courts as applying to for-profit ventures. Therefore, the provision of public funds in grants to not-for-profit organizations is not restricted by the Oregon Constitution. Furthermore, the grant contracts the City enters into are subject to the public contracting laws, except, ORS 279A.010(1)(x), which excludes certain grants from the definition of public contracts. Therefore, legally, it would be very difficult for us to exempt ABBN from the requirements that they qualify as a not-for-profit organization in order to qualify to receive funds from the City.

As to the request to waive the liability insurance requirement, ABBN's view of potential liability claims is overly simplified. In addition to personal injury claims, in this particular instance, we could also be subject to copyright or trademark infringement claims, as well as claims for false or misleading advertising. While we don't have same constitutional or other legal restrictions in the liability insurance realm, I would recommend that we either 1) require the insurance or 2) obtain an indemnification agreement from some of the members of the organization.



City of Ashland
Economic and Cultural Development Grant Proposals
FY 2007-08

Organization	Amount Requested	Russ Proposed	Roberta Proposed	Lynn Proposed	Bill Proposed	David Proposed	Eric Proposed	Cate Proposed	Average Proposed	Total Proposed
Ashland Independent Film Festival	\$ 30,000	\$ 18,000	\$ 19,280	\$ 25,000	\$ 28,000	\$ 18,000	\$ 20,000	\$ 30,000	\$ 22,611	\$ 21,999
Rogue Valley Symphony	15,190	9,000	15,190	15,000	8,000	10,000	8,000	7,750	10,420	12,500
ScienceWorks	20,500	18,000	20,500	15,000	18,000	16,000	15,000	20,500	17,571	18,500
St. Clair Productions	12,000	9,000	4,000	5,000	7,000	6,000	6,000	4,000	5,857	5,000
Ashland Gallery Association	30,092	18,000	19,279	15,000	17,949	16,000	15,000	7,750	15,568	16,000
Nuwandart	5,000	2,500	-	1,250	-	5,000	5,000	2,500	2,321	2,500
KSKQ Community Radio	14,100	-	-	-	-	3,000	11,749	2,500	2,464	-
Lithia Arts Guild	14,500	10,000	7,500	6,000	8,614	8,000	10,000	2,500	7,516	10,500
ArtWork Enterprises	3,500	2,500	3,500	2,500	2,750	2,500	3,000	2,500	2,750	2,500
Youth Symphony	6,000	6,000	6,000	6,000	6,000	5,000	3,000	7,750	5,679	6,000
Dancing People Company	10,000	-	-	2,500	2,000	4,000	5,000	2,500	2,286	2,500
Southern Oregon Repertory Singers	7,500	3,000	2,000	5,000	5,000	4,000	3,000	4,000	3,714	3,375
The Jefferson Center	5,000	2,500	-	2,500	3,000	2,500	2,500	2,500	2,214	2,500
THRIVE	15,000	15,000	15,000	15,000	12,000	15,000	7,000	15,000	13,429	15,000
Rogue Opera	18,000	9,000	18,000	10,000	10,900	10,000	9,000	7,750	10,664	10,500
Friends of Library/Chautauqua Poets	5,000	4,000	5,000	5,000	2,650	5,000	3,000	4,000	4,093	4,000
Community Works	10,000	2,500	-	2,500	5,116	6,000	5,000	7,750	4,124	2,500
RVCDC	8,000	5,000	-	2,500	-	-	4,000	7,750	2,750	2,500
Peace House	8,250	2,500	-	-	1,000	-	1,000	7,750	1,750	-
Siskiyou Singers	7,000	6,000	4,000	5,000	5,000	6,000	3,500	2,500	4,571	3,375
Ballet Rogue	12,000	6,500	9,000	5,000	6,770	7,500	6,000	2,500	6,181	6,500
Oregon Stage Works	15,000	6,749	7,500	10,000	6,000	6,249	10,000	4,000	7,214	7,500
Amount Requested	\$ 271,632	155,749	155,749	155,750	155,749	155,749	155,749	155,750	\$ 155,749	\$ 155,749
Amount Available	\$ 155,749							0% Remainder		-