

# ARTS FOR LA

## Cultural Grants in the City of Los Angeles

**Purpose:** To support the City's Department of Cultural Affairs in their efforts to provide support for LA-based artists, arts organizations and festivals.

**Goal:** To encourage decision-makers to maintain funding levels for the DCA Cultural Grant program, including the 1% TOT allocation revenue stream.

### Background:

The DCA's Grants Administration Division provides grant funding to small, mid-sized and large organizations in several disciplines/categories as well as individual artist grants and cultural exchange programs. In FY 2009/2010, DCA awarded \$2.9 million in cultural grant funding (in addition, DCA raises additional public and private funds used to re-grant to LA arts organizations and individual artists).

The annual grants budget is derived from L.A.'s Transient Occupancy Tax (TOT), and therefore varies from year to year. Sometimes called the Hotel Tax, the TOT requires hotels/motels and parking garages within the City to charge an additional 14% tax for "transient" (out-of-town) guests. TOT revenues fund many city services. 1% of TOT tax revenues are allocated to the DCA for cultural grants, providing the only dedicated funding stream for the Department.

In 2002, City Council decided to divert 50% of the 1% TOT allocation to fund DCA's administrative costs. In 2010, the Los Angeles City Council considered removing the DCA's 1% TOT allocation in order to fund other city services.

The arts & cultural community has encouraged the Council to maintain this vital revenue stream. Stakeholders sent 5,000+ letters to Councilmembers through Arts for LA's online system and 200 supporters attended a Council meeting to voice support for the DCA's dedicated funding stream. The motion was "received and filed," with the 1% allocation remaining in place. However, the motion could return at any time. Losing the TOT allocation would decimate the grants budget and drastically reduce or zero out funding for artists and organizations.

### Decision-Makers:

#### Los Angeles City Council

CD1: Ed Reyes\*  
CD2: Paul Krekorian  
CD3: Dennis Zine  
CD4: Tom LaBonge\* - Chair of Arts, Parks, Health & Aging  
CD5: Paul Koretz †  
CD6: Tony Cardenas - Chair of Information Technology and Government Affairs  
CD7: Richard Alarcón  
CD8: Bernard Parks † - Chair of Budget and Finance  
CD9: Jan Perry  
CD10: Herb Wesson\*  
CD11: Bill Rosendahl †  
CD12: Greig Smith †  
CD13: Eric Garcetti - City Council President  
CD14: José Huizar †  
CD15: Janice Hahn

\*Member, City Council Arts, Parks, Health & Aging Committee

†Member, Budget and Finance Committee

#### FY10/11 DCA Grants Administration Division Budget

Total Grants to Organizations: \$2,482,402

Total Individual Artist Fellowships: \$280,000

Cultural Exchange International: \$150,000

Total DCA Grants: \$2,912,402

\*\*Total includes TOT derived grants budget, and does not include additional re-grants projected from Federal/State/Foundation and Corporate Donations (approx. \$130,000)

#### Los Angeles Mayor

Antonio Villaraigosa

#### City Administrative Officer

Miguel A. Santana

#### Executive Director, DCA

Olga Garay

#### Chief Legislative Analyst

Gerry Miller