

LINCOLN HEIGHTS NEIGHBORHOOD COUNCIL

EXECUTIVE COMMITTEE MEMBERS

SARA CLENDENING
PRESIDENT

BEN WADSWORTH
VICE PRESIDENT

VINCENT "CHENTE" MONTALVO
TREASURER

FERNANDA SANCHEZ
SECRETARY

CALIFORNIA



"WE ARE ONE"

LINCOLN HEIGHTS EST. 1870

CERTIFIED COUNCIL
2002

3516 N. BROADWAY
LOS ANGELES, CA 90031

LINCOLNHEIGHTSNC.ORG

August 19, 2021

COMMUNITY IMPACT STATEMENT

CF 13-0933

The Board Approves This Community Impact Statement Yea (x), Nay (x), Abstain (x) on August 19, 2021

Honorable City Council
Los Angeles City Hall
200 North Spring Street, Room 395
Los Angeles, CA 90012

RE: CIS OPPOSING CF 13-0933 ARTS DEVELOPMENT FEE (ADF) / UPDATE. (CEDILLO)

Dear Honorable members of Los Angeles City Council:

On August 19, 2021 in a Brown Act compliant meeting, the Lincoln Heights Neighborhood Council considered the following resolution regarding CF 13-0933. The stakeholders and elected officials have come to the following conclusions listed below:

WHEREAS, On July 28, 2021 council member Cedillo motioned to reallocate \$37,000 of CD1 Arts development funds (\$26,000 from Lincoln Heights 4th of July event / Northeast car show) to fund Gil Cedillo's 2021 Latin Jazz Festival. On August 4, 2021, LA City Council adopted the item and approved this motion.

WHEREAS, The residents and their elected representatives of the Lincoln Heights Neighborhood Council do not approve of the defunding of Lincoln Heights programming. The Funds for the Lincoln Heights 4th of July event and North East Car Show (total \$26,000) should be retained by CD1 for future programming within our community.

WHEREAS, The residents and their elected representatives of the Lincoln Heights Neighborhood Council do not approve of the \$26,000 being moved to fund Gil Cedillo's 2021 Latin Jazz Festival at Sycamore Grove Park in Highland Park. This event already has \$120,000 in funding, and with the additional funds, that total amounts to \$157,000.

BOARD MEMBERS: BUSINESS REPRESENTATIVES: William Rodriguez Morrison, Nancy Stella Soto, vacant

COMMUNITY BASED ORGANIZATION REPRESENTATIVES: Benny Madera, Dydia DeLyser, vacant

YOUTH REPRESENTATIVE: Diana Tran

AREA REPRESENTATIVES: Richard W. Larsen, Annalee Harr, Melanie Bellomo Shifflett, Vicente Gonzalez-Reyes Jr., Armida Marrufo, Victor Azanedo, Diego Zapata, vacant, Gil Arevalo, Richard Ortiz, Steve Lucero, Lena Ruiz, Selena Ortega

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WHEREAS, The residents and their elected representatives of the Lincoln Heights Neighborhood Council do not approve of the defunding of our community. The residents and elected Neighborhood Council officials never were properly notified of the motion and were denied the ability to take action opposing the motion. The motion was submitted July 28, 2021 and approved on August 4th 2021. The community and Lincoln Heights Neighborhood Council had only five days to act. This Motion was approved with minimal public notice.

WHEREAS, The elected representatives of the Lincoln Heights Neighborhood Council received numerous requests from residents about possible funding for Avenue 26 Night Market to provide waste management services and sanitary facilities such as hand washing stations and public toilets to serve the thousands of visitors. That market was at the prosed site for the Northeast Car Show. The city closed the site and moved the market but has still not provided facilities to serve the People.

WHEREAS, The residents and their elected representatives of the Lincoln Heights Neighborhood Council do not approve of council member Gil Cedillo reallocating \$26,000. to fund the Gil Cedillo Latin Jazz festival which is already fully funded. This festival coincides with his 2022 CD1 campaign and is a publicity event branded with his name.

NOW, THEREFORE, The residents and their elected representatives of the Lincoln Heights Neighborhood Council demand that LA City Council Member Gil Cedillo allocate the \$26,000 DCA Developer Art Funds intended for Lincoln Heights to fund sanitary facilities for Ave 26 Night Market and use those funds for Lincoln Heights cultural events to serve our 39,000 stakeholders. These funds come from developers who are a threat to the health, safety and welfare of our community, and they should not be used to promote local politicians. Arts funds are to enrich the lives of communities who pay a price with aforementioned development. That price being displacement and cultural erasure.

Sincerely,

Sara Clendening, President
Lincoln Heights Neighborhood Council

BOARD MEMBERS: BUSINESS REPRESENTATIVES: William Rodriguez Morrison, Nancy Stella Soto, vacant

COMMUNITY BASED ORGANIZATION REPRESENTATIVES: Benny Madera, Dydia DeLyser, vacant

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MOTION

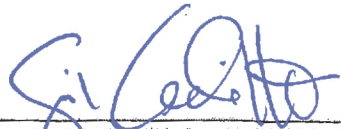
I **MOVE** that the Council Action of 11/4/2020 relative to the Arts Development Fee Update and adopting the Arts Development Fee (ADF) Expenditure Report (CF 13-0933) **BE AMENDED** to change the proposed use of four Council District 1 Accounts / Line Items, as follows, for the Latin Jazz Festival:

Proposed change of use from four ADF events to Latin Jazz Festival

Lincoln Heights 4 th of July Event	\$ 13,581.38
Northeast Car Show	12,689.43
MacArthur park Holiday Festival	6,126.83
Hip Hop Classes	5,160.01
	=====
TOTAL	\$ 37,557.65

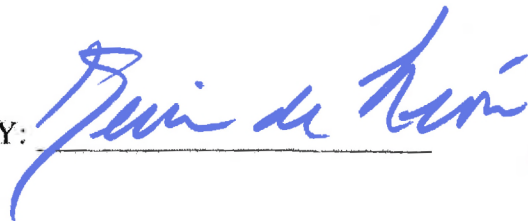
I **FURTHER MOVE** that the Cultural Affairs Department be authorized to make any corrections, clarifications or revisions to the above instructions, including any new instructions, in order to effectuate the intent of this Motion; said corrections / clarifications / changes may be made orally, electronically or by any other means.

PRESENTED BY:



GILBERT A. CEDILLO
Councilman, 1st District

SECONDED BY:



ORIGINAL



JUL 28 2021

CITY OF LOS ANGELES

CALIFORNIA

CULTURAL AFFAIRS COMMISSION

JOHN WIRFS
PRESIDENT

ELISSA SCRAFANO
VICE PRESIDENT

EVONNE GALLARDO
THIEN HO
CHARMAINE JEFFERSON
ERIC PAQUETTE
ROBERT VINSON



ERIC GARCETTI
MAYOR

DEPARTMENT OF CULTURAL AFFAIRS

201 NORTH FIGUEROA ST, SUITE 1400
LOS ANGELES, CA 90012
213.202.5500 TEL
213.202.5513 FAX
culturela.org WEB

DANIELLE BRAZELL
GENERAL MANAGER

Council File #: 13-0933
Council Districts: Citywide
Contact Persons and Email:
Felicia Filer: felicia.filer@lacity.org
Tania Picasso: tania.picasso@lacity.org

November 24, 2020

Honorable David Ryu
Chair
Health, Education, Neighborhoods, Parks, Arts and River Committee
Los Angeles City Council
c/o City Clerk's Office
City Hall, Room 395
Los Angeles, CA 90012

Attention: Mr. Eric Villanueva, Office of the City Clerk

**RE: HEALTH, EDUCATION, NEIGHBORHOODS, PARKS, ARTS, AND RIVER COMMITTEE
REQUEST FOR REVIEW AND APPROVAL OF THE DEPARTMENT OF CULTURAL AFFAIRS
UPDATED ANNUAL EXPENDITURE PLAN AND FEE STATUS REPORT FOR THE ARTS
DEVELOPMENT FEE (ADF) PROGRAM FOR FISCAL YEAR 2020/21**

This report and its attachment are submitted in compliance with the Arts Development Fee (ADF) Program Administrative Guidelines adopted by the City Council in December 2014, by motion (CF# 13-0933).

Pursuant to the established ADF Program guidelines, the Department of Cultural Affairs (DCA) is required to develop an annual Expenditure Plan and Fee Status Report for the ADF Program, submitted herein. This report identifies and commits **\$364,803.51** comprised of "Priority Fees" which are fees that were collected five years earlier toward eligible public art projects throughout the City that did not have any findings made in previous years. Due to the date of collection of some of these fees, Los Angeles Municipal Code Section 5.346, et al., which is based on the State Mitigation Fee Act, requires that the Department and City Council approve a set of findings for the "Priority Fees" before December 31, 2020. A finding identifies the purpose for which the fee is to be used and demonstrates a reasonable relationship between the fee and the purpose for which it is charged. DCA has prioritized the commitment of these "Priority Fees" in this report.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. **APPROVE** the public art project commitments and associated findings relative to a total of **\$364,803.51** comprised of "Priority Fees" as identified in the FY 2020/21 ADF Expenditure Plan and Fee Status Report (Attachment A).
2. **INSTRUCT** the Department of Cultural Affairs to update the accrued interest to each of the appropriation accounts, within Fund 516, to be used in tandem with the original ADF fee collected.
3. **AUTHORIZE** the City Controller to approve the interest appropriations, within Fund 516, recommended by the Department of Cultural Affairs.

BACKGROUND

The Arts Development Fee (ADF) Program was established by ordinance in 1988, revised in 1991, and codified in Los Angeles Municipal Code Section 91.107.4.6 and Los Angeles Administrative Code Section 5.346. The ADF Program complies with the California Mitigation Fee Act and adheres to the tenets of a Nexus Study and a Cultural Master Plan adopted in 1992 by the City Council.

The ordinance requires private developers of non-residential development projects, valued over \$500,000, to pay an arts fee or complete an arts project equivalent to the value of the arts fee. If the developer chooses to pay the arts fee, the amount is based on a square-foot rate calculation 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.

From 1991 to 2007, arts development fees were used by the DCA to support a variety of arts and cultural activities. In 2007, a restriction was placed on the use of arts development fees that limited the expenditure of the fee to a one-block geographic radius of the related private development project that generated the fee. This restriction severely limited the Department's ability to effectively deploy these resources and resulted in the accumulation of a large cash balance in the Arts Development Fee Trust Fund.

On July 23, 2013 Councilmembers Huizar and O'Farrell co-presented a motion (CF# 13-0933), which was further modified by Committee, instructing the Chief Legislative Analyst (CLA) and DCA, with the assistance of the City Attorney, to report back regarding updates to the ADF Program, including changes to 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 expanding the allowable use of fees collected.

Through the adopted ADF Program Administrative Guidelines, now in its seventh cycle, DCA has supported a variety of public art projects that range from mural conservation, art walks, to music and arts festivals, including the City's first public art triennial. DCA has collaborated with individual artists, art organizations, and festival producers to create temporary and permanent public art projects and programs across the city. Projects are identified by the Council Offices in conjunction with DCA as part of the ADF Expenditure Plan development phase.

SUMMARY OF THE FY 2020/21 ADF EXPENDITURE PLAN AND FEE STATUS REPORT

The FY 2020/21 ADF Expenditure Plan and Fee Status Report provides an accounting of **\$10,022,450.43** in arts development fees, listed by the Council District in which the associated private development that

generated the fee is located. The report identifies and commits \$364,803.51 within the overall Fund 516 balance that is comprised of "Priority Fees" toward eligible projects and provides associated findings required by the State Mitigation Fee Act.

Due to unanticipated staff constraints caused by the COVID-19 global pandemic and the Department's response to the crisis, aspects of this ADF Expenditure Plan FY 2020/21 are in progress and will be completed by Spring 2021. The accrued interest will be reflected in a later report as well as any new ADF accounts that have been deposited into Trust Fund 516 since the time of the FY 2019/20 report.

The chart below provides a breakdown of arts development fees by Council District:

COUNCIL DISTRICT	BALANCE EXPENDITURE PLANS FY 14/15 - 19/20 (A)	PRIORITY FEES (B)	FEES LESS THAN 5 YRS (C)	TOTAL (A) + (B) + (C)
CD 1	\$1,811.14	\$14,400.95	\$195,487.84	\$211,699.93
CD 2	\$36,876.09	\$3,940.41	\$185,557.75	\$226,374.25
CD 3	\$0.00	\$4,786.51	\$331,875.33	\$336,661.84
CD 4	\$0.00	\$0.00	\$604,873.43	\$604,873.43
CD 5	\$229,631.37	\$105,651.36	\$822,604.90	\$1,157,887.63
CD 6	\$128,158.34	\$0.00	\$307,802.07	\$435,960.41
CD 7	\$404,069.45	\$0.00	\$94,889.26	\$498,958.70
CD 8	\$69,921.46	\$0.00	\$0.00	\$69,921.46
CD 9	\$0.00	\$85,893.20	\$250,438.11	\$336,331.31
CD 10	\$15,550.78	\$2,541.69	\$627,793.62	\$645,886.09
CD 11	\$218,682.30	\$255,271.46	\$788,596.66	\$1,262,550.42
CD 12	\$0.00	\$0.00	\$209,113.73	\$209,113.73
CD 13	\$355,965.94	\$155,739.49	\$753,447.05	\$1,265,152.48
CD 14	\$397,415.54	\$201,572.39	\$1,817,015.65	\$2,416,003.58
CD 15	\$112,094.49	\$0.00	\$232,980.67	\$345,075.16
SUB TOTAL	\$1,970,176.91	\$829,797.46	\$7,222,476.06	\$10,022,450.43
TOTAL				\$10,022,450.43
	FEES THAT REQUIRE FINDINGS	\$364,803.51		

Consistent with the Arts Development Fee Program Administrative Guidelines, and due to the Mayor's Safer at Home Orders, this year the Department emailed each of the Council Offices with fees over 5 years that needed to make findings, and collaborated with them to submit the project commitments for the **\$364,803.51** in arts development fees by the December 31, 2020 deadline. Council Offices that did not have fees requiring findings during this reporting period were notified accordingly.

IMPLEMENTATION

Upon approval of the ADF Expenditure Plan and Fee Status Report, DCA will initiate and administer the approved ADF projects and programs accordingly. Of the proposed **\$364,803.51** in project commitments, up to **\$65,664.63** will be available to support staffing resources, leaving a balance of **\$299,138.88** available directly for public art projects and programs.

FISCAL IMPACT

There is no fiscal impact on the City's General Fund, as it relates to this report.



Danielle Brazell
General Manager
City of Los Angeles Department of Cultural Affairs

DB:ff

Attachments: A – FY 2020/21 ADF Expenditure Plan and Fee Status Report

cc: Barbara Romero, Deputy Mayor, City Services
Brent Nichols, Office of the City Attorney
Andy Chen, Office of the City Administrative Officer
Karen Kalfayan, Office of the Chief Legislative Analyst
Eric Villanueva, City Clerk

	ADDRESS/ACCOUNT NAME	ADF AMOUNT	INTEREST ACCRUED ♦	TOTAL ACCOUNT AMOUNT	ACCOUNT NUMBER	DATE OF COLLECTION	5 YR MARK	PROPOSED USE	DEVELOPER
PREVIOUS FY EXPENDITURE PLANS									
	300 W. Avenue 33	\$1,511.49	\$299.65	\$1,811.14	C245	7/19/07	7/18/12	NORTHEAST CAR SHOW	TDP Properties
	SUB TOTAL	\$1,511.49	\$299.65	\$1,811.14					
FEEES THAT REQUIRE COUNCIL APPROVED FINDINGS									
	1331 W. 7th Street	\$1,380.00	\$88.09	\$1,468.09	l898*	3/11/15	3/10/20	HIP HOP WORKSHOP	7th Street Property Investors
	1120 W. 6th Street	\$12,932.86	\$0.00	\$12,932.86	M927*	6/16/15	6/15/20	SENIOR CITIZEN PROM	6th and Bixel Partners LLC
	SUB TOTAL	\$14,312.86	\$88.09	\$14,400.95					
FEEES LESS THAN 5 YEARS									
	2003 S OAK ST 1-29	\$2,283.60	\$116.79	\$2,400.39	M316*	3/14/16	3/14/21	HIP HOP WORKSHOP	LA UNIFIED SCHOOL DIST
	435 W Bernard St. 1-9	\$485.31	\$20.98	\$506.29	NA10*	5/4/16	5/4/21	HIP HOP WORKSHOP	PEREZ, RICKY B AND CAROLINA E
	1736 S. New Hampshire Avenue	\$11,146.00	\$340.22	\$11,486.22	PA36*	8/14/17	8/14/22	LATIN JAZZ FESTIVAL	Kim, Brian S and Young S TRS
	697 S. Witmer Street	\$5,960.00	\$166.83	\$6,126.83	PA81*	12/14/17	12/14/22	MACARTHUR PARK HOLIDAY FESTIVAL	Chen, Sheng Cheng and
	1256 W. 7th Street	\$1,762.56	\$22.68	\$1,785.24	RC08*	12/17/18	12/17/23	HIP HOP WORKSHOP	Mayfair Lofts LLC
	701 W. Cesar E. Chavez Avenue 102	\$24,660.00	\$210.34	\$24,870.34	RC27*	1/3/19	1/3/24	DIA DE LOS MUERTOS	602 North Grand Avenue LP Lessor
	1000 N. North Main Street	\$46,140.68	\$206.11	\$46,346.79	RC38*	4/4/19	4/3/24	LATIN JAZZ FESTIVAL	Jamison California Market Center
	960 N. North Main Street	\$14,620.88	\$65.31	\$14,686.19	RC39*	4/4/19	4/3/24	LATIN JAZZ FESTIVAL	Kim, Nam Sook TR
	1741 N. Naud Street	\$11,010.00	\$49.18	\$11,059.18	RC51*	5/22/19	5/21/24	NORTHEAST CAR SHOW	DP 1726 1756 Spring Street LLC
	1901 W. Venice Boulevard	\$47,207.58	\$210.88	\$47,418.46	RC43*	5/24/19	5/23/24	LATIN JAZZ FESTIVAL	Loyola High School
	SUB TOTAL	\$193,902.33	\$1,585.51	\$195,487.84					
	TOTAL	\$209,726.68	\$1,973.25	\$211,699.93					
	*ADF FINDINGS MADE IN FY 19/20								
	♦ INTEREST SHOWN DOES NOT REFLECT CURRENT ACCRUAL AMOUNT								

PROJECT NAME: Latin Jazz Festival

KEY WORDS: Citywide, Free, Community, Public Art Programming, Annual

SELECTED ART TYPOLOGY: Special Events, Festival

PROJECT DESCRIPTION: The Latin Jazz Festival is an annual family friendly music festival held in Northeast Los Angeles. It attracts both a local and regional audience for the community.

REASONABLE RELATIONSHIP: This free, outdoor arts and cultural festival is an event that attracts audiences from various parts of the city and seeks to unite the regional audience. Direct marketing efforts will be made to the various development sites that support the project.

ADHERENCE TO CULTURAL MASTER PLAN GOALS:

- 1) Art in the City - Los Angeles should distinguish itself as an international art center with a multicultural character; foster creative industries as part of its economic vitality; promote the arts with comprehensive marketing strategies; and evaluate these efforts through community input and/or assessment.
- 2) Equity in the Arts - Los Angeles resources for the arts should be used to reflect multiculturalism; be available through networks of geographically dispersed facilities and/or activities; work hand-in-hand with accessibility; and be evaluated through community input and/or assessment.
- 7) Cultural Infrastructure - The City should play a leadership role in fostering a dynamic ecology of arts organizations, cultural activities, and creative places; engendering dialogue and collaboration within the LA arts ecology; and evaluating these efforts through input and/or assessment.

IMPLEMENTATION STRATEGY: Request for Proposals, Festival Producers/Event Programmers

TIME-LINE: September 2021

*ESTIMATED ART PROJECT AMOUNT:		\$98,348.89				
SOURCES OF FUNDS:		Art Development Fees				
APPROPRIATION ADDRESS	ACCOUNT NUMBER	APPROPRIATION AMOUNT	INTEREST ACCRUED	TOTAL ACCOUNT AMOUNT	18% ADMINISTRATIVE FEE	ART PROJECT AMOUNT
1736 S. New Hampshire Avenue	PA36	\$11,146.00	\$340.22	\$11,486.22	\$2,067.52	\$9,418.70
1000 N. North Main Street	RC38	\$46,140.68	\$206.11	\$46,346.79	\$8,342.42	\$38,004.37
960 N. North Main Street	RC39	\$14,620.88	\$65.31	\$14,686.19	\$2,643.51	\$12,042.68
1901 W. Venice Boulevard	RC43	\$47,207.58	\$210.88	\$47,418.46	\$8,535.32	\$38,883.14
TOTAL:		\$119,115.14	\$822.53	\$119,937.67	\$21,588.78	\$98,348.89

*Additional ADF accounts that are less than five (5) years and do not require findings at this time may be utilized.

PROJECT NAME: Northeast Car Show
KEY WORDS: Citywide, Free, Community, Public Art Programming
SELECTED ART TYPOLOGY: Special Events, Festival

PROJECT DESCRIPTION: The Northeast Car Show is a family friendly festival that attracts a local and regional audience for the community.

REASONABLE RELATIONSHIP: This free, outdoor arts and cultural festival is an event that attracts audiences from various parts of the city and seeks to unite the regional audience. Direct marketing efforts will be made to the various development sites that support the project.

ADHERENCE TO CULTURAL MASTER PLAN GOALS:

1) Art in the City - Los Angeles should distinguish itself as an international art center with a multicultural character; foster creative industries as part of its economic vitality; promote the arts with comprehensive marketing strategies; and evaluate these efforts through community input and/or assessment.

2) Equity in the Arts - Los Angeles resources for the arts should be used to reflect multiculturalism; be available through networks of geographically dispersed facilities and/or activities; work hand-in-hand with accessibility; and be evaluated through community input and/or assessment.

7) Cultural Infrastructure - The City should play a leadership role in fostering a dynamic ecology of arts organizations, cultural activities, and creative places; engendering dialogue and collaboration within the LA arts ecology; and evaluating these efforts through input and/or assessment.

IMPLEMENTATION STRATEGY: Request for Proposals, Festival Producers/Event Programmers

TIME-LINE: FY 20/21

*ESTIMATED ART PROJECT AMOUNT:		\$10,553.66				
SOURCES OF FUNDS:		Art Development Fees				
APPROPRIATION ADDRESS	ACCOUNT NUMBER	APPROPRIATION AMOUNT	INTEREST ACCRUED	TOTAL ACCOUNT AMOUNT	18% ADMINSTRATIVE FEE	ART PROJECT AMOUNT
300 W. Avenue 33	C245	\$1,511.49	\$299.65	\$1,811.14	\$326.01	\$1,485.13
1741 N. Naud Street	RC51	\$11,010.00	\$49.18	\$11,059.18	\$1,990.65	\$9,068.53
	TOTAL:	\$12,521.49	\$348.83	\$12,870.32	\$2,316.66	\$10,553.66

*Additional ADF accounts that are less than five (5) years and do not require findings at this time may be utilized.