



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Community Services
Department No.: 057
For Agenda Of: January 9, 2024
Placement: Departmental
Estimated Tme: 30 min
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department George Chapjian, Director, Community Services Department
Director(s) 805-568-3407

Contact Info: Sarah York Rubin, Executive Director, Office of Arts and Culture
805-568-3992

SUBJECT: County Percent for Arts Program and Process Improvements

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

It is recommended that the Board of Supervisors:

- a) Receive and file an update from the County Office of Arts and Culture regarding the County Percent for Arts Program (“Program”) and County Arts Plan Ordinance;
- b) Direct Staff to either:
 - i. Return to the Board with an amendment to Chapter 7A of the Santa Barbara County Code to clarify existing provisions to better facilitate its accomplishment of legislative intent, improve interdepartmental workflow efficiency, and support program implementation, including:
 1. Defining “estimated total project cost” and clarifying that the Percent for Arts Program allocation is to be calculated based on such estimated total project cost;
 2. Clarifying the definition of “construction project” and the definition of “facility” based on Section 22002 of the California Public Contract Code;

3. Clarifying that funds appropriated for the Program in connection with a construction project are to be deposited into the County Arts Fund concurrently with the authorization and transfer of County funds to the requesting department for such project;
 4. Assigning 25% of the total Program appropriations to offset project management and implementation costs;
 5. Replacing the requirement for Board discussion of Percent for Arts allocations in connection with construction projects whose construction costs exceed \$7.5M with a \$200,000 dollar cap per capital project; or
 6. Providing additional direction to staff.
- ii. Return to the Board with an amendment to Chapter 7A of the Santa Barbara County Code to effect the clarifications and provisions accomplished by Recommended Action 1 as well as one or more additional provisions designed to increase countywide arts access and fund outstanding deferred capital art maintenance:
1. Increasing the percentage of funds appropriated for works of art in connection with construction projects (e.g., from 1% to 2%);
 2. Directing staff to research public art in private development ordinances from building valuation of eligible commercial or industrial development projects and return with a proposal; or
 3. Providing other direction to staff.
- iii. Return to the Board with an amendment to Chapter 7A of the Santa Barbara County Code to, in lieu of the current Percent for Arts allocation process, provide for an equivalent annual General Fund appropriation to the County Arts Fund to help reduce administrative impact, stabilize the budget, and enable greater efficiency and planning:
1. Replacing the Percent for Arts allocation process with an alternative annual equivalent General Fund appropriation in the amount of \$200,000, with annual increases in accordance with CPI;
 2. Including provisions allocating 25% of the Percent for Arts appropriations to fund Program management and implementation costs; or
 3. Providing other direction to staff.
- c) Determine that the receipt and filing of an update on the Percent for Arts Program and direction to Staff is not the approval of a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), finding that the action is an organizational or administrative activity of government that will not result in the direct or indirect physical changes in the environment, and direct staff to file a Notice of Exemption.

Summary:

This item is on the agenda to request Board clarification of language in the County Code and direction on potential process improvements for implementation of the County's Percent for Arts Program. Codified in County Code Chapter 7A - "County Arts Plan," Ordinance No. 3068 (Attachment A) was

adopted by the Board in 1978 to support the County's goals of enhancing quality of life, economic vitality, and civic cohesion. To better facilitate the realization of the County Arts Plan and Program implementation, Staff is requesting Board direction and potential consideration of three potential approaches to help clarify legislative intent and streamline existing County public art funding allocation processes.

Option 1: clarifying the existing provisions of Chapter 7A and further updating Chapter 7A to streamline administrative processes and better facilitate implementation and sustainability.

Option 2: effecting clarifications and provisions as in Option 1 and incorporating new funding modalities to meet the growing needs of the County while addressing outstanding deferred maintenance.

Option 3: providing for an equivalent General Fund allocation in lieu of Percent for Arts allocations to support intradepartmental workflow, stabilize the budget, and enable long-term planning for public art production, procurement and maintenance.

Opportunities for process improvements and requests for clarification have been identified by the Community Services Department Parks Division, General Services Department Capital Projects Division, and Public Works Department, in consultation with the County Executive Office and County Counsel. Following this multi-year dialogue between the aforementioned Departments and arts stakeholders, Staff recommends Option 3.

Background:

Arts are a defining element of Santa Barbara County, both culturally and economically, helping to unite and embrace diverse cultures, uplift civic engagement, and enliven public spaces. In a recent study conducted by the Economic Development Collaborative, the creative industry accounted for 7.5% of the Gross County Product. Residents take pride in community art and events, such as the Lompoc murals, Orcutt Chalk Festival, Guadalupe's sculptures, Santa Barbara's Chromatic Gate, and myriad others.

Since 1977, when the Board established the Arts Commission, the County has intentionally invested in cultivating dynamic public spaces and celebrating unique local identities through public art. Adopted in 1978 and codified in Chapter 7A of the County Arts Plan, the Percent for Arts Ordinance #3068 ("Ordinance") serves as the County's funding mechanism to procure, install, and maintain art in and on County buildings, parks, and galleries.

The County Percent for Arts Program ("Program") has funded and produced major integrated capital arts installations in each of the five Supervisorial Districts. Art projects have included entrance facades, playground equipment, stairs, pedestrian bridges, park benches, shade structures, mosaics, kinetic sculptures, landscape art, and community gathering spaces, such as the wooden platforms and picnic tables at Isla Vista's Sea Lookout Park.

The Program is managed by the County's Office of Arts and Culture ("OAC"), with guidance from the Arts Commission. In addition to producing and maintaining public art and collections, the OAC

performs services including grantmaking, policy development, artist and nonprofit support, and free public events, such as the Courthouse Sunken Garden Film Series.

The process specified by the Ordinance to identify and transfer appropriated Percent for Arts funds involves a variable timeline and coordination between several County departments. As such, it has been challenging to streamline implementation and develop an efficient workflow.

To better foster interdepartmental communication, help define roles, and support the County's investment in public art, staff are requesting Board direction and consideration of three potential approaches to clarifying legislative intent and optimizing implementation. The following options have been developed through and informed by a multi-year interdepartmental dialogue regarding the Program.

Percent for Arts Program Overview and Options for Process Improvements

I. About Government Percent for Arts Policies and Programs

Percent for Arts policies are a common governmental mechanism for making public spaces more vibrant, useful, and accessible through the incorporation of artworks. Countless studies attest to public art's positive impact on tourism and economic development, as well as increased feelings of public safety and community pride. To create more welcoming places for people to live, work, and raise families, a small portion of the budget for the construction and renovation of government properties is set aside for public art. The percentage typically ranges from .5% - 3%.

Common goals of government Percent for Arts policy mechanisms include:

- Promoting equity and ensuring that socially disadvantaged or geographically isolated communities with fewer resources can also access vibrant public spaces.
- Making implementation commensurate with the economic conditions for funding capital projects.
- Streamlining processes to ensure an efficient and consistent mechanism for developing public art.
- Helping to commemorate, celebrate, and teach the history of a place to its community members

Government Percent for Arts policies can be applied to public and/or private construction, as capital arts improvements are also considered to be capital improvements. Federal, state, and local government entities have employed these types of policies since the late 1950s to help increase opportunities for free public arts access. New policies continue to be established, such as Watsonville's Percent for Private Development, which passed unanimously in 2022. Benchmark counties that have adopted Percent for Arts policies include Santa Cruz, Monterey, and Tulare. Neighboring municipalities with Percent for Arts programs include San Luis Obispo and Thousand Oaks.

Regional County Government Percent for Art Models

County	% Ordinance	County Capital Improvement Projects	Private Development	General Fund	TOT/ Bond Measure	County Venue Revenue
Alameda	Y	2%	2%	Y	--	
Los Angeles	Y	1%	1%	Y	--	Y
Santa Barbara	Y	1%	--	Y	N	Y
Monterey County	N	1%	1%	Y	Y (25% of TOT total)	Y
Santa Cruz	Y	2%	2%	Y	--	Y
Santa Clara	Y	1%	--	Y	Y (100% of TOT total)	--
Tulare	Y	1.5%	--	Y	--	Y

II: County of Santa Barbara Percent for Arts Program and Arts Plan Ordinance History

On November 13, 1978, the Board adopted Ordinance No. 3068, establishing the “county policy that a portion of appropriations for capital expenditures be set aside for the acquisition of works of art to be used for county buildings and other public facilities.” A special fund, County Arts Trust #1001, was concurrently created.

The Ordinance and Section 7A-3 of the County Code provide: “All requests for appropriations for construction projects shall include as an item therein an amount equal to one percent of the estimated cost of such project for works of art. If the Board of Supervisors approves any such request, the Board shall include an appropriation of funds for works of art, at the rate of one percent (1%) of the estimated project cost, to be deposited into the appropriate account to the County Art Fund.”

County Code Section 7A-2 defines “Construction Project” to mean “any capital project over \$100,000 paid for wholly or in part by the County of Santa Barbara to contract [sic] or remodel any buildings, structure, park or parking facility, or any portion thereof, within the limits of the County of Santa Barbara.”

County Code Section 7A-2(d) specifies that art may be an integral part of a structure or exhibited in other public facilities.

In 2015, during hearings regarding the North County Jail budget, the Board reviewed the Ordinance and considered options including limiting the applied percentage to County-generated project funds only and calculating the amount based on project construction costs instead of the total estimated project costs. It was determined that no modifications be made to the calculation process, and that the word “eligible” be stricken to clarify that the Percent would apply to all project funding sources; however, 7A-3 was amended to include a provision that the amount from the Jail construction costs be capped at \$150,000 (\$75,000 per phase), and that future projects with construction costs over \$7.5M must return to the Board for discussion and direction regarding the amount to be allocated for public art.

III. Percent for Arts Program Impact and Legacy in Santa Barbara County

The Percent for Arts Program serves as the County’s primary funding for producing, procuring, and displaying temporary and permanent public art. The Program funds rotating County gallery exhibits as well as the display and maintenance of County art collections.

Since the inception of the Program, over 50 structural art and exterior design projects have been completed countywide. Program funds also supported the infrastructure to establish a North County gallery at the Betteravia Government Administration Building. Projects have prioritized access and equity; through the Percent program, the County Arts Commission commissioned internationally-recognized murals in Guadalupe, Lompoc, and Santa Maria by prominent artists of color that commemorate diversity and North County’s regional heritage.

The OAC has successfully leveraged Program funding for matching investments from government and philanthropic entities to expand the County’s reach. Since 2016, these funds have supported production, display, and maintenance of public art in Buellton, Carpinteria, Cuyama, Goleta, Guadalupe, Lompoc, Los Alamos, Montecito, Orcutt, Santa Barbara, Santa Maria, and Santa Ynez.

The most recent large-scale project produced by OAC is the “Valley of Light” solar sculpture installation at the Betteravia Government Center; the artwork was developed in partnership with Allan Hancock Community College faculty, students, and alumni, with support from Santa Maria Recreation and Parks. The project also incorporated new steel artwork on the facades of the Social Services, County Probation, and County Public Health buildings. Leveraging a \$75,000 Program investment, staff was able to procure a \$125,000 match from the State to support project production costs.

Percent for Arts Program funding constitutes the only available budget to address the deferred maintenance of capital or structural arts projects, such as mosaics, building facades, or murals, on County property. As with regular interior or exterior paint, tile surfaces, or fixtures, periodic maintenance is required to ensure that the work does not degrade structurally or become a public nuisance. As of 2023, several projects require extensive restoration, such as the *Ethnic Diversity: People of Lompoc* mural on the side of the County Superior Court Building, the façade of the County Main Social Services Office, and the floor mosaic of the Clerk-Recorder building.

IV: Program Implementation Challenges and Potential Solutions

Ambiguities in current County Code have resulted in internal confusion and conflicting understandings of the process for identifying applicable “construction projects” and the corresponding timing and mechanism for transferring funds allocated for the Program. This has delayed or prevented several public art projects from being exhibited in county communities, disrupted workflow and planning, and created a large backlog of deferred capital arts maintenance. Seeking resolution and collecting appropriated Program funding, which is currently routed through several departments, has required a significant time investment from staff.

To better facilitate Program implementation, define roles, and support processes for interdepartmental communication, staff are requesting Board input on three potential approaches. These clarifications are intended to serve as a guide for all County entities involved in the implementation of the County Arts

Plan goals and County Code requirements. Following receipt of Board direction, staff will return with an amendment to the County Code for review.

Option 1: Clarifying Language and Supporting Program Implementation

This option will clarify the Ordinance to support communications across departments, improve workflow, and facilitate policy administration.

- Clarifying the definition of “estimated total project cost” to identify that the Program allocation is calculated as a percentage of the estimated or budgeted total project cost. This will resolve discrepancies in calculation methodology.
- Clarifying the definition of “construction project” and the definition of “facility” based on Section 22002 of the California Public Contract Code. This will improve staff’s ability to assess capital construction projects for Program eligibility.
- Clarifying that funds appropriated for the Program are to be deposited into the County Arts Fund concurrently with the authorization and transfer of County funds to the requesting department for the budgeted construction project(s). This will allow for artwork to be incorporated into such projects in real-time, and support staff workflow and anticipated planning needs. The Ordinance language provides that: “If the Board of Supervisors approves any such request, the Board shall include an appropriation of funds for works of art, at the rate of one percent (1%) of the estimated project cost, to be deposited into the appropriate account to the County Arts Fund.” Currently, once funding is appropriated for the Program in connection with such projects, it is routed through departmental budgets without direction regarding when or how such funds should be deposited into County Arts Trust #1001.
- Including a provision allocating 25% of the total Program appropriations for Program management, overhead, and implementation costs. Funding for project management will help to improve the County’s capacity to execute and sustain its public art program. In addition to traditional overhead costs, art capital construction is labor and time-intensive, requiring onsite staff presence, close management of art installation processes, materials, modes, and vendor contracts, specialized equipment and tools, and ongoing evaluation and maintenance of the completed project. Currently, the Ordinance does not specify that Percent for Arts appropriations may be used to fund project management. The calculation of 25% of such allocations is commensurate with the percentage allocated by the County to Library service providers for management and overhead costs.

Option 2: Clarifying Language, Funding Deferred Maintenance, and Expanding Community Impact

This option will include all components from Option 1, as well as updating the process to help improve Program sustainability and function, fund project management and implementation, improve countywide arts access, and better address capital art deferred maintenance.

- Replacing the requirement for Board discussion of Percent for Arts allocations in connection with construction projects whose construction costs exceed \$7.5M with a \$200,000 dollar cap on

the Percent for Arts allocation per construction project (increasing annually in accordance with CPI). This will: create a threshold for the maximum Percent generated per project in alignment with the County threshold for individual contracts; reduce the current requirement for Board deliberation on a project-by-project basis; and recalibrate the \$75,000 figure set in 2015 to accommodate for future inflation.

- Increasing the percentage of funds appropriated for works of art in connection with construction projects (e.g., from 1% to 2%). An increase of 1% would approximately create an additional allocation of \$200,000/annum. This would help to offset outstanding capital art maintenance in County structures, update gallery facilities and installation equipment, and increase countywide access to vibrant public spaces.
- Directing staff to research public art in private development ordinances for commercial or industrial projects and return with a proposal. This would help to offset outstanding capital art maintenance in County structures, update gallery facilities and installation equipment, and increase countywide access to vibrant public spaces.

Option 3: Amending the County Code to Provide an Alternative Equivalent General Fund Allocation

This option will amend the current Chapter 7A of the County Code to replace the current Percent for Arts funding calculation mechanism with a corresponding annual General Fund Contribution of \$200,000 to streamline the process, reduce administrative impact, stabilize the budget, and improve efficiency, production levels, and planning:

Potential policy measures for Board consideration include:

- Replacing the Percent for Arts allocation process, currently codified in Section 7A-3 of the County Code, with a flat annual General Fund appropriation in the amount of \$200,000, increasing annually in accordance with CPI.
 - A standardized income source, rather than the current variable income circuited through several departments on no coordinated timeline, will reduce the interdepartmental workload, support more comprehensive and timelier project planning and production, and significantly streamline workflow.
 - Although in FY23-24 the aggregate amount of Percent for Arts allocations under Chapter 7A as currently enacted have already exceeded \$200,000, the amount of \$200,000 is recommended as a reasonable baseline amount for the sake of administrative convenience. The amount was calculated by tabulating 1% of County Line Item 8200, Fund Type 04 – “Structures and Structural Improvements- Capital Projects” from FY22-23 (\$20,249,439.97). Excluded from this calculation are allocations from inapplicable Fund Types (01 - General, 02- Special Revenue, and 05-Enterprise), as well as any Infrastructure-related line items, though those also may contain eligible “construction projects” under current provisions of Chapter 7A of the County Code.
- Including a provision allocating 25% of the Program appropriation to fund program management and implementation costs. Identifying funding for project management will improve the County’s capacity to produce and maintain public art. The calculation of 25% is commensurate

with the percentage allocated by the County to Library service providers for management and overhead costs.

IV: Future County Arts Plan Sustainability

The recommended clarifications of current County Code language will help to improve the efficacy of the Percent for Arts Program, as well as the efficiency of the public art allocation disbursement process, consistent with the County's stated goals and adopted policies. However, even designating the recommended allocation provision to support project management costs will not fully recoup staff costs to create, display, and maintain public art countywide.

In FY23-24, the County General Fund allocation for arts staffing and operations was \$175,000. Operations are supported in part through a longstanding partnership and mutually-beneficial service contract with the City of Santa Barbara. The OAC also earns annual funding from the California Arts Council to serve as a designated State-Local partner and provide regional arts support.

Currently, OAC relies on Fund Balance and support from the Community Services Department to maintain regular countywide service provision, including administration of the Santa Barbara Bowl Foundation's Community Arts Subsidy. As a provision in the Santa Barbara Bowl lease agreement ("Bowl Lease"), a \$.50 fee is added per ticket to support arts. Funds remitted to the County for the Arts Subsidy are pass-through and capped at \$50,000 annually (adjusted in accordance with CPI every 5 years). Should the Bowl Foundation wish to renegotiate the Bowl Lease terms prior its expiration in 2056, the County plans to renegotiate the arts fee at that time.

Staff will return during Budget Hearings to discuss the structural imbalance as part of a separate Board item.

Impacts:

Budgeted: N/A

Special Instructions:

N/A

Attachments:

Attachment A: County Code Chapter 7A - "County Arts Plan," Ordinance No. 3068