



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: General Services
Department No.: 063
For Agenda Of: November 28, 2023
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Kirk Lagerquist, Director, General Services (805) 560-1011
Director(s)
Contact Info: Skip Grey, Assistant Director, General Services (805) 568-3083

SUBJECT: Santa Barbara Bowl Foundation Annual Report for 2022; First District

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file the 2022 Annual Report for operations at the Santa Barbara Bowl, and
- b) Find that the proposed action is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment and is therefore not a project under CEQA Guidelines 14 CCR 15378(b)(5).

Summary Text:

The current 45-year Management and Lease Agreement (Agreement) between the County and the Santa Barbara Bowl Foundation (SBBF) was approved by the Board of Supervisors on May 17, 2011. Section 22 (C) of the Agreement requires the Foundation to submit an annual report by October 15 of each year for the previous year. Attached is a copy of the Annual Report for 2022. The recommended action for this Board letter is to receive and file the Santa Barbara Bowl's annual report.

Background:

The Santa Barbara Bowl is a world-class 4,562 seat entertainment, culture and arts venue located at 1122 N. Milpas Street in Santa Barbara. Originally constructed in 1936 as a Works Progress Administration (WPA) project, the Santa Barbara Bowl is a County owned property, managed and operated under the direction of the Santa Barbara Bowl Foundation. On June 28, 1994, the County

entered into a lease with the Santa Barbara Bowl Foundation for long term management of the Bowl facility. The Foundation had already existed as a California non-profit public benefit organization since 1981. On May 17, 2011, the SBBF renewed its lease agreement with the County for a period of 45 years beginning June 1, 2011. The SBBF has an option to extend the lease for another 25 years. Responsibility of all costs for maintenance, repairs, improvements, and operations relating to the property rests solely with the Foundation.

In 2022, the Santa Barbara Bowl Foundation recorded total revenues of \$7,229,471, marking a decline from the \$10,919,327 generated in 2021. This reduction can be attributed mainly to investment losses and the discontinuation of COVID-19 relief grants and credits that were prominent in 2021. It's worth noting that the total revenue figure for 2022 included \$1,374,028 from fundraising revenue.

Operational revenue in 2022 saw a noteworthy increase of \$3,252,543. Following the reopening of the venue in 2021 with a shortened concert season, the County Board of Supervisors granted a one-time variance to allow up to 7 additional concerts over the 37-concert limit in 2022. The Foundation hosted an expanded season of 43 events in 2022. The average concert attendance in 2022 was 3,778 per performance, an increase compared to the average of 3,652 per performance in 2021.

In 2022, organizational expenditures (comprising all expenses except for capital improvements) rose to \$8,423,058, which marked a notable rise from the \$5,806,041 recorded in 2021. This increase can be attributed to the greater number of concerts held in 2022. It's important to note that these expenses encompass a depreciation expense of \$1,201,019.

Upon the scheduled enhancement of the West Road in 2023, the Foundation is confident that the Master Plan's outlined renovations have been effectively realized. Furthermore, in 2022, the Foundation successfully concluded the last and most extensive phase of its Solar Photovoltaic Installation project, made possible by a generous contribution. This project empowers the Bowl to significantly mitigate its energy consumption and minimize its environmental impact, with the ultimate objective of ultimately attaining carbon neutrality.

The Santa Barbara Bowl Outreach committee has a goal to provide resources and build partnerships that enhance performing arts exposure and education in the greater Santa Barbara Community. This outreach effort Funded over \$515,000 in grants, scholarships, instrument funding, sponsorships, and community tickets. See Attachment 3 for further details.

As one component of the Bowl Foundation's commitment to supporting the local arts community, beginning in 2010, the Foundation contributes an annual payment to the Santa Barbara County Office of Arts and Culture. The Santa Barbara Bowl Foundation Arts Subsidy is intended to promote the public's appreciation and access to cultural arts in the Santa Barbara community. Per the existing lease agreement, the arts subsidy payment increased in 2015 to \$0.50 per ticket sale with a cap of \$56,750 per season. Since 2011 the total contribution to the Santa Barbara County Office of Arts and Culture through the Arts Subsidy Program has been \$485,364. In the 2022 concert season, this contribution was at the capped amount of \$56,750 based on ticket sales of 168,421.

Included as Attachment 2 is the Santa Barbara Bowl Foundation Financial Statements as of December 31, 2022 prepared by Armanino LLP, Woodland Hills.

Fiscal and Facilities Impacts:

N/A

Special Instructions:

N/A

Attachments:

1. Annual Report of the Santa Barbara Bowl Foundation – 2022
2. Santa Barbara Bowl Foundation Financial Statement, December 31, 2022
3. 2022 Outreach Impact Report

Authored by:

Skip Grey, Assistant Director