

State of California  
CALIFORNIA ARTS COUNCIL  
PUBLIC MEETING  
**MINUTES**

California



Arts Council

**September 17, 2009**

Museum of Contemporary Art, San Diego  
1100 Kettner Boulevard  
San Diego, CA 92101  
(858) 454-3541

## ATTENDANCE

### CALIFORNIA ARTS COUNCIL

#### Council Members:

**Alexander, Michael**  
**David, Eunice (Vice Chair)**  
**Feruzzi Shriver, Malissa (Chair)**  
**Jefferson, Charmaine**  
**Steinhauser, Susan**  
**Turner, William**

#### Members not in Attendance

**Hubbard, Adam**  
**Lee, Chong-Moon**  
**Sands, Fred**  
**Skelton, Karen**

#### Staff:

**Muriel Johnson**, Director (CAC)  
**Josie S. Talamantez**, Chief of Programs (CAC)  
**Scott Heckes**, Chief of Administration (CAC)  
**Mary Beth Barber**, Communications Director (CAC)  
**Patricia Milich**, Public Awareness Coordinator (CAC)

#### Invited Guests:

**Anthony Radich**, Executive Director, Western States Arts Federation (WESTAF)  
**Ryan Stubbs**, Director of Research, WESTAF  
**Joseph Rodota**, Founder and CEO, Forward Observer  
**Julia Lowell**, Economist, RAND Corporation

#### Public in Attendance

Celeste DeWald, California Association of Museums  
Fernando Vossa, Vossa Media  
Mario Torrero, Fuerza  
Michele Grace Hottel, La Mesa Arts Alliance  
Laurel Withers, Playwrights Project  
Marjorie Taylor, Taylor Studio  
Judith D'Agostino, D'Agostino Fine Art  
Dalouge Smith, San Diego Youth Symphony / California Arts Advocates  
Alan Ziter, NTC Foundation  
Victoria Hamilton, San Diego Commission for Arts and Culture

## **CALIFORNIA ARTS COUNCIL**

### Minutes

September 17, 2009 – San Diego

#### **Call to Order**

Chair Malissa Feruzzi Shriver called the meeting to order at 10:38 a.m.

#### **Roll Call**

Mary Beth Barber called the roll. In attendance : Alexander, David, Feruzzi Shriver, Jefferson, Steinhauser, Turner. Not present: Hubbard, Lee, Sands, Skelton.

#### **Approval of the Minutes from June 3, 2009 Meeting**

Feruzzi Shriver asked if the Council had amendments to the minutes from the June 2009 meeting. None were offered. David moved to approve the minutes. Steinhauser seconded, and the motion passed unanimously.

#### *Recognition of the late Eunice Shriver, Senator Edward Kennedy*

Alexander noted the recent passing of two significant figures in public life, as well as in Feruzzi Shriver's family: Eunice Shriver and Senator Edward Kennedy. He offered condolences on behalf of the Council for her loss and recognized the work both Shriver and Kennedy had accomplished in the public sectors during their lifetimes.

#### **Finance Report**

Heckes directed the Council to the financial report, which outlined the fiscal difficulties facing the state and the impact on the Arts Council. He noted that the agency's budget will be reduced by approximately \$180,000 due to a 3-day furlough of non-emergency state employees. As directed by the Council at the June 3, 2009 meeting, Heckes reported that budgeting for salaries and benefits was adjusted so that no federal funds support personnel services. As such the furlough reduction will affect general and special funds only. He noted that the furlough reduction amounts to a nearly 15% cut in staff wages, but that the cut will not affect retirement calculations for Arts Council employees.

Jefferson noted that there are ongoing lawsuits concerning the furloughs, and if the furloughs were to cease there could be proportionate cuts in future months. Johnson acknowledged Jefferson's concerns and said that the Executive Staff has been reviewing potential scenarios should cuts occur. She noted that staff discussed the state's financial difficulties at a recent retreat, and that they suggested cost-cutting measures and voiced their openness to change in terms of how the agency moves ahead in the future.

Alexander asked if the Arts Council would have to potentially reduce approved grant amounts. Heckes explained that already awarded grants are likely safe, but that funding available for future awards could potentially be reduced should cuts occur. He explained that several of the Council's programs provide funds at yearend that support activities in the subsequent year; suggesting that

if cuts occur the Council may not be able to continue the practice. Steinhauser asked for clarification and examples. Heckes reported that some funding for the Artists in Schools Program and the State-Local Partnership Program was allocated at yearend 2008-09 to support activities that continued into 2009-10.

### **Arts License Plate Update**

Barber referred the Council to the written Arts License Plate report in the councilbooks and asked if the Council had any questions. Steinhauser thanked Barber and expressed her disappointment that the DMV would be unable to work with the Arts Council on the standard plate instant-sell promotional events in October in Los Angeles County. Barber noted that the DMV staff were extremely apologetic that the agency had to indefinitely postpone such an event, but that three furloughs per month and subsequent field office closures on the first, second and third Fridays has made it difficult to handle the day-to-day operations, let alone any extra work. Steinhauser noted that the postponement demonstrates the unintended consequences of the furloughs.

Steinhauser commented on the proposal to ask businesses to participate in the Arts License Plate program and the efforts to receive an analysis of potential tax-deduction benefits of the program as a charitable donation or business expense. She offered to assist Barber with a letter to Legislative Counsel if an appropriate analysis was not forthcoming from the executive branch. Feruzzi Shriver also offered assistance, especially concerning the Governor's office. Barber suggested that if the Governor's office response was stalled in the coming weeks, she and two Councilmembers determine the next steps in a conference call.

Turner expressed his interest in seeing a marketing campaign that would include collateral items such as license plate frames that could be revenue generators for the agency. Barber suggested the creation of a separate nonprofit entity for the marketing arm for such items, and noted that other similar campaigns exist such as "Don't Trash California" (Caltrans) and "California Grown" (Department of Food and Agriculture), as well as the California State Parks Foundation, that could serve as models.

Incentives for current Arts Plate participants was discussed. Turner stated that the revenues from the Arts License Plate Fund represent close to two-thirds of the agency's overall budget annually. Barber was concerned that initial sales of the plate are down significantly, with the most recent annual results from 2008 at less than 50% of the initial sales from 2000.

Turner said that he and Feruzzi Shriver have been in contact with a commercial production company with ties to high-profile personalities who could serve as spokespeople for the arts in California and supporters of the Arts License Plate. Barber noted that such a production company would be ideal for an Arts Plate promotional campaign, especially if the spokespeople assisted with social networking (Facebook, Twitter) and earned media (interviews with reporters). Feruzzi Shriver said that a campaign to sell a million plates could result in \$40 million for the arts, raising California from the lowest per-capita state arts spending to the top 10 or 12.

Jefferson made a marketing suggestion concerning “thank you” tags for current owners of Arts License Plates if collateral materials were available for sale in the future. Barber suggested that, in the interest of time, she collect marketing ideas and proposals from individual council members and compile the suggestions into a report.

Jefferson asked if the Arts Council’s Arts License Plate Fund appropriation in each year’s budget was based on current sales and renewals. Heckes noted that in recent years the amount drawn down for the annual budget mirrored the sales and renewals total from the year prior, but that more recently the agency has been budgeted *more* than what had been received. Currently the agency is utilizing funds from the Arts License Plate Fund reserve, currently at just under \$4 million.

Turner asked Heckes if Arts Plate purchasers could receive a promotional item such as a poster, pin, license plate frame, etc. Heckes said that such incentives may be useful promotional or “thank you” items but that the expenditure of state funds for incentives may not be appropriate. He suggested that it might be more suitable for these items to be funded and distributed by a promotional sponsor. Barber added that because of privacy issues, the Arts Council cannot obtain license plate owner contact or mailing information from DMV and as a result there is no direct way to contact arts plate owners.

## **Programs Report**

### *Department of Justice/California Arts Council (CAC/DOJ) Music Presenting Grants*

Talamantez directed the Council to the panel results of the CAC/DOJ Music Presenting Grants panel. There were 167 applicants, and 42 organizations serving 43 counties were recommended to receive funding, for a total of \$549,708. Steinhauser thanked the staff for their hard work and the efforts to reach as many counties as possible with the program. Turner and Alexander also expressed their gratitude for the staff’s hard work, and Alexander suggested that public announcements regarding this program and the grantees include the number of applicants and overall amount requested. David requested that information on the Arts Plate and how to support and promote the Arts Council be included in grant agreement packages.

### **ACTION ITEM: Approval of the panel recommendations for CAC/DOJ Music Presenting Grants**

Steinhauser moved to approve the panel recommendations for the CAC/DOJ Music Presenting Grants. Turner seconded, and the motion was passed unanimously.

### *American Recovery and Reinvestment Act (ARRA) Program (Stimulus Funds)*

Talamantez noted that the panel for the Arts Council’s distribution of ARRA funds would be held on September 28. Alexander noted that university presenters were not eligible for the CAC’s ARRA funding under the guidelines, but many university presenters do not receive state funds through the universities and instead work as independent nonprofit organizations. He said he received many calls from university presenting staff disappointed that they were excluded from the CAC’s ARRA program.

The Council discussed the inclusion of a Councilmember (Jefferson) and a staff member (Marilyn Nielsen, Deputy Director) on the ARRA review panel. Heckes and Talamantez noted that some panels in the past had either or both Councilmembers or staff. Nielsen said that because of the transparency issues concerning ARRA, having staff and Council directly involved in the review process is important.

#### *Other Programs Issues*

Talamantez noted that the most recent National Association of State Arts Agencies (NASAA) eNewsletter highlighted the California Arts Council's "ArtWorks!" website column. Feruzzi Shriver encouraged all Councilmembers to subscribe to the NASAA newsletter, and Steinhauser recommended the newsletter from the California Alliance for Arts Education.

#### **Public Comment**

The following members of the public made comments to the Council:

*Victoria Hamilton, Commission for Arts and Culture, City of San Diego* – Hamilton thanked the Council for travelling to San Diego. Johnson noted that Hamilton's commission is a State-Local Partner, congratulated Hamilton on her recent Americans for the Arts leadership award, and acknowledged the quality work Hamilton does for the City of San Diego.

*Fernando Vossa, Vossa Media* –arts-and-technology visual art instillations – requested future meeting with Council regarding arts and technology and visual arts instillations.

*Mario Torrero, Fuerza* – importance of the arts to the City of San Diego and nearby communities.

*Judith D'Agostino, D'Agostino Fine Art* – question concerning public art and the City of San Diego's percentage-for-public-art program.

*Dalouge Smith, San Diego Youth Symphony / V.P. of California Arts Advocates* –importance of the San Diego Youth Symphony and CAA convening in January 2010.

*Alan Ziter, NTC Foundation* at the former Naval Training Center, a community facility that includes visual and performing arts organizations.

Celeste DeWald, California Association of Museums (CAM)– now celebrating its 30<sup>th</sup> year will have their annual conference in March 2010.

#### **California Creative Vitality Index (California CVI)**

Feruzzi Shriver introduced Anthony Radich, Executive Director of the Western States Arts Federation (WESTAF).

Radich distributed the 2006-2007 California Creative Vitality Index data (California CVI) and made opening comments about the use the CVI. This raw data needs to be analyzed and printed in a briefer, more understandable, and useful document for distribution to arts groups throughout California.

Ryan Stubbs, WESTAF's Director of Research, distributed a summary memo and spoke to the research and key findings from the California CVI. California has the third highest CVI ranking in the nation, following New York and Massachusetts.

The Council asked Stubbs and Radich questions and generally discussed the potential impact of the California CVI results.

### **Lunch**

Following a brief break, lunches were distributed and the Council continued to work through lunch.

### **Joseph Rodota, Forward Observer**

Johnson introduced Joseph Rodota, the founder and CEO of political consulting organization Forward Observer, and a strong arts supporter in Sacramento. Rodota explained that he has had experience with cultural organizations in the past and was willing to share his insights with the Arts Council.

He suggested that the Arts Council not rely, or perhaps even request, General Fund revenue beyond the current \$1 million. In the past during high-revenue budget years, the Legislature and Governor have been inclined to fund cultural agencies like the Arts Council, but he does not see that pattern being repeated in the future. Instead, Rodota suggested finding an appropriate special-fund revenue source that does not involve a sales tax or other fees that appear to be similar to a sales tax. He noted the success of local ballot measures connecting some areas like transportation or hotel/tourism fees to community cultural programs; Rodota does not believe such a campaign would work well beyond the local level.

Rodota suggested examining the license-registration surcharge in Montana to support Montana State Parks; Montana car owners with up-to-date plates and registration have free access and parking to the state's parks. The campaign was successful based on a "go to the parks for free" message emphasizing the benefits of the program.

He said that his research indicated that while the public might support a hotel transient occupancy tax (TOT), the hotel industry would most likely strongly oppose. Arts supporters in local jurisdictions have been able to get such measures passed because the tourism benefits are obvious; a statewide TOT for the arts campaign has some disadvantages because of the size of the state, and local impact may not be as easily demonstrated to voters. Rodota strongly suggested working intensely with the high CVI areas when looking for statewide support.

Johnson and the Councilmembers thanked Rodota for his insight and for taking time out of his busy schedule to travel to San Diego to speak with the Council.

**Julia Lowell, Economist, RAND Corporation, and author of *States Arts Policy: Trends and Future Prospects***

Julia Lowell, an economist and author with the RAND Corporation, gave a power-point presentation on the status of state arts councils and how they have changed over the years. She also outlined how state arts agencies might serve their states in the future beyond the grant process, emphasizing information and training.

Turner thanked Lowell for her presentation, and commented that he was unsure that a state arts agency can completely fulfill a void and assist arts infrastructure without financially supporting nonprofit arts organizations. Alexander asked Johnson if the positions on the Legislature's Joint Committee on the Arts had been filled, and if so, whether the Arts Council could propose a statewide "listening tour" with the Joint Committee on the Arts to gain a statewide perspective, especially in the current environment. Steinhauser agreed, and said that government agencies need to discuss jobs and employment, given the current high unemployment in California. Lowell pointed out that visual and performing artists can be key components to revitalizing aging areas and zones, and that perhaps funding support for artists and arts communities may be available through housing and redevelopment agencies.

**Council Discussions**

*Programs*

Discussion of the agency's programs was postponed in the interest of time.

*Strategic Planning Process*

Johnson reminded the Council that Terry Wolverton will be moderating the strategic planning in November and would outreach to Councilmembers in one-to-one meetings and interviews beforehand. The Council discussed the strategic planning outline from the strategic planning co-chairs.

*Resolution on Arts Education*

The discussion and vote on the resolution in support of Arts Education in California was postponed to the October 1, 2009, teleconference.

**Conclusion and Adjournment**

Feruzzi Shriver adjourned the meeting at 4:30 p.m. in memory of visual artist Armando Cid, a Latino artist from Sacramento, member of the artist collective RCAF, and husband of Talamantez; of renowned dancer and choreographer Merce Cunningham; of Dr. Ernst Katz, the founder and conductor of the Junior Philharmonic Orchestra of California, and folk musician Sam Hinton.