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DEPARTMENT OF
FINANCE

BUDGET DIVISION

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 14
915 I STREET
SACRAMENTO, CA
95814-2696

916-449-5845

April 3, 1991
FA:91032:KN:KMF

Budget and Finance Committee
Sacramento, California

Honorable Members in Session

SUBJECT: Sacramento Valley Theatre Production Company
\$20,000 Funding Request

SUMMARY

The Sacramento Valley Theatre Production Company is requesting funding support from the City of Sacramento in the amount of \$20,000 to fund an original, locally written musical, "Something in the Valley". This funding request was presented as part of the 1990-91 Proposed Operating Budget Hearing. The funding request was withdrawn during the budget hearing because the organization understood that funding was available through the Sacramento Convention and Visitors Bureau and/or the Community/Convention Center's Budget. The amount of direct funding support from the Community/Convention Center and the Sacramento Convention and Visitors Bureau is \$3,000 - \$5,000. Funding options that are available are: (1) to defer action on funding requests until the 1991-92 Proposed Budget hearing, (2) fund requests from the Community Center Fund Operating Budget (3) refer funding request to the Sacramento Visitor's and Convention Bureau for the additional funding required, (4) fund the request from the General Fund Administrative Contingency, (5) refer funding request to the Metro Arts regranting program for additional funding. This report is being submitted in order for the Budget and Finance Committee to provide direction to staff.

BACKGROUND

As part of the 1990-91 Proposed Operating Budget Hearing, the Sacramento Valley Theatre submitted a funding request in the amount of \$20,000. This request was included in with the request from

other community groups. The requests from the other community groups totalled \$2.7 million. This request was part of the \$1.7 million in unfunded requests. The recommendation in the June 12, 1990 staff report was to refer this funding request to the Metro Arts regranting program. As a result of a meeting between Council Member Kim Mueller, Community Center Director Sam Burns and representatives of the Sacramento Valley Theatre Production Company, the funding request was withdrawn. It was the understanding of the Sacramento Valley Production Company that their requests would be funded through the Community/Convention Center or Convention and Visitor Bureaus budget. It was the understanding of the Director of the Community/Convention Center that the support could include in kind support such as use of Community Center's Lighting and other staging equipment and \$2,000 in cash support funded by the Bureau's promotional budget.

FINANCIAL

The funding request is for \$20,000 in cash. The Sacramento Convention and Visitors Bureau can fund up to \$5,000 to offset promotional costs.

Possible funding sources for the balance of the request are (1) the 1990-91 General Fund Administrative Contingency which has a balance of \$1.0 million; (2) the 1991-92 General Fund Resources (the hearings begin in approximately two months); (3) the Community Center Operating Budget has sufficient operating budget savings to fund this request; (4) have the full funding request presented before the Sacramento Convention and Visitors Bureau Board; (5) refer request to Metro Arts Regranting program for additional funding.

POLICY CONSIDERATIONS

This item is resubmitted for Committee and Council consideration because of the misunderstanding between the Sacramento Valley Production Company and the Director of the Community/Convention Center on the level of funding. The Sacramento Valley Production Company withdrew their funding request as a result of this misunderstanding. The policy question is: should this organization be given funding consideration at this time because of this misunderstanding? All new funding requests were denied as part of City's 1990-91 Midyear Review (Approved by Council on March 19, 1991) and all funding requests that were art or entertainment related were referred to the Metro Arts regranting program.

An additional policy issue is the use of Community Center Funds as a possible source for funding requests of this type. Community Center Funds have, in the past, been restricted in use to the maintenance, operation and promotion of the Community/Convention Center and Memorial Auditorium.

RECOMMENDATION

This report is submitted for the Budget and Finance Committee to provide direction to staff.

Respectfully Submitted,



KEN NISHIMOTO
Budget Manager

RECOMMENDATION APPROVED:



JACK R. CRIST
Deputy City Manager

CONTACT PERSON: KEN NISHIMOTO
Budget Manager
(916) 449-5736

All Districts
April 9, 1991