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Item No. _____

**CITY COMMISSION MEMORANDUM 15-XX
FEBRUARY 9, 2015 AGENDA**

TO: Honorable Mayor and Members of the City Commission
PREPARED BY: Christine Dalton, Community Planner/Historic Preservation Officer
SUBMITTED BY: Norton N. Bonaparte, Jr., City Manager
SUBJECT: Establishment of Cultural Grant Fund

STRATEGIC PRIORITIES:

- Unify Downtown & the Waterfront
- Promote the City’s Distinct Culture
- Update Regulatory Framework
- Redevelop and Revitalize Disadvantaged Communities

SYNOPSIS:

Staff is requesting that the City Commission consider creating a Cultural Grant Fund that will be used to further the history, culture, and artistic identity of the City by providing matching grants to organizations which are 501(c)(3) tax-exempt nonprofit organizations under the *United States Internal Revenue Code* whose missions are aligned with the objective of the purposes outlined by the City Commission in creating the Fund.

FISCAL/STAFFING STATEMENT:

The Cultural Grant Fund would be created as an earmarked funding source by the City Commission with the initial proceeds (seed money) deriving from the insurance payout that was received due to the loss of the Little Red Schoolhouse.

BACKGROUND:

“The Little Red Schoolhouse” (circa 1883) served as the first school building in the City and predated the creation of the City and Seminole County. The building is historically and culturally significant, and is located within the Old Sanford Residential Historic District. In 1995 Seminole County Public Schools donated the property (Tax Parcel Identification Number 25-19-30-5AG-0701-0120) to the City. In April 1998 the City conveyed the parcel to the non-profit organization Tajiri Arts Incorporated. The Special Warranty Deed included the following provision which provided for conditions of use for the property:

“...the property shall be used for the public purpose of providing a place for performing arts to the residents of the community and the title shall remain in a corporation not-for-profit. Should the property not be used for the public purpose of providing a place for performing arts to the residents of the community or should the title not remain in the

name of a corporation not-for-profit, upon the happening of either event, title to the property shall immediately revert and vest in the City of Sanford, Florida, a Florida municipal corporation.”

In 2012 the property reverted back to the City, after the property being endangered to being lost as a result of non-payment of taxes, due to lack of compliance with the terms outlined in the Special Warranty Deed. Deputy City Manager Tom George and the Assistant City Attorney were required to undertake significant effort to save the property in City ownership.

In July 2014 the building was declared a total loss due to an arson fire. Staff proposes the insurance payout be used to create an earmarked Cultural Grant Fund. The Fund would be used to provide grants to established 501(c)(3) tax-exempt nonprofit organizations whose mission is aligned with culture, arts, historic preservation and history and who further the objectives of the City’s priorities of Culture, Character, Connectivity and Commerce. This will provide the City with opportunities to assist the objectives of many worthwhile organizations, while enhancing the quality of life and education for the citizens of the City and advance the cultural goals and objectives of the City with the ability to attain private funds and reduce taxpayer contributions.

It is recommended that the Funds be evenly divided into five subfunds, to be designated for equal use in each City Commission district and one general use subfund that will provide funding for State and Federal cultural grant matches of a general nature. This will provide a benefit to the City as a whole, and not just one specific area or group will profit from the program. The Fund, again, can be used as seed money to attain grants from sources which will reduce the burden upon the citizens of the City.

The Cultural Grant Fund will have clearly established criteria with required grant reporting. The programs implementing the Fund will be modeled after the successful CRA grant programs, which provide a grant match in reimbursement upon successful completion of the agreed upon project scope. Requiring a match to grant funding will ensure that the organizations have a vested interest in successful project execution. The grant cycle will run once per year, with the solicitation period beginning in June and grant award in October, to align with the City’s fiscal year.

LEGAL REVIEW:

The Assistant City Attorney has reviewed this matter and has recommended that affirmative City Commission policy direction be implemented by means of an Ordinance that establishes the funds as earmarked funds and otherwise established programmatic policy goals and objectives. The City Manager, or designee, would be tasked with the implementing actions.

RECOMMENDATION:

It is staff’s recommendation that the City Commission consider creation of a Cultural Grant Fund with the proceeds of the Little Red Schoolhouse insurance payout and direct the City Attorney to draft an ordinance implementing the direction of the City Commission.

SUGGESTED MOTIONS:

“I move to approve the request to consider creation of a Cultural Grant fund with the initial proceeds deriving from the insurance payout of the Little Red Schoolhouse and for the City Attorney to take appropriate action to implement this direction.”

Attachments: Cultural Grant Fund Synopsis
Special Warranty Deed – April 13, 1998
Historic Preservation Board Letter – November 12, 2012