



Denver City Council

Public Amenities Committee
Meeting Summary

Date: April 4, 2006 Time: 11:00 a.m. Location: Council Conference Room

Members Present: Lehmann, Johnson, Linkhart, Robb
Members Absent: None
Other Council Present: None

1. Denver Office of Cultural Affairs – Creative Enterprises Revolving Loan Fund

Committee Action

The Committee requested a report on the program late this year.

Summary of Discussion

Tina Poe-Obermeier, Interim DOCA Director, said this loan program is part of the Mayor's agenda to grow creative enterprises by helping them develop business skills and become viable small businesses. Ginger White, Senior Economic Development Specialist, said the loan fund was one component of the Create Denver Plan, which was presented to the Committee on February 21. The fund is designed to give small, for-profit arts organizations and individual artists, who typically do not have many resources, micro loans of less than \$5,000. Other cities with similar loan programs include Austin, L.A., Portland, OR, and Aurora, CO. Aurora requires that the enterprise locate within the 8-block Arts District. Denver's program will not be geographically limited.

Working with the Office of Economic Development (OED), DOCA developed a request for proposals from lending institutions to administer the program. Three proposals are being reviewed by a selection panel that plans to make a decision by mid-May in order to launch the program in July.

The OED contributed \$100,000 in CDBG Economic Development Activities funds to the program but is not able to act as administrator. The average OED loan is between \$205,000 and \$210,000, and the agency is not nimble enough to make the small, quick loans envisioned. Processing a check through the City takes 90-120 days, which is too long to meet the needs of the program's clients. The program also includes technical assistance that OED is not equipped to provide. The institution selected for the program will be asked to leverage additional funds, but with the initial funding, it is anticipated that 15 to 20 small businesses will receive loans annually, creating 15 to 20 jobs.

Asked how such a small loan would help, Ms. White gave the example of an artist invited to a great show. The cost of framing, packing, shipping and hanging the works and traveling to the show may be beyond the artist's financial capacity. A small loan would make it possible.

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2. Theatres & Arenas – SW Airlines Sponsorship of Film on the Rocks

Committee Action

The Committee approved filing a bill approving a 3-year contract providing Red Rocks sponsorship opportunities to Southwest Airlines and asked for a report on the City use of airline tickets.

Summary of Discussion

Erik Dyce, Marketing Director for Theatres & Arenas, said Proxy Partners has been working to develop an airline sponsorship. Southwest Airlines (SWA) will be the exclusive and official airline marketing partner for Red Rocks Amphitheatre. The contract term runs through 2008, during which term SWA will provide \$115,200 cash plus 287 unrestricted round trip airline tickets annually.

In exchange, SWA will be recognized as the official airline sponsor of the Film on the Rocks movie series. The SWA logo will appear on the concert guide, the event staff T-shirts, banners, and will be projected in light on the towers on either side of the stage during intermission. SWA will have the right to staff a promotional booth on the upper terrace during the movies and four concerts; to temporarily name one public room in the Visitor Center; to use the amphitheatre rent-free once per year; 20 tickets to 4 concerts; and use of the Red Rocks logo in its promotional material, subject to City approval.

The cash will go into Theatres & Arena's marketing fund and will more than cover the administrative costs of the movie series. Jack Finlaw, Director of Theatres & Arenas, said the airline tickets will be a gift to the General Fund from Theatres & Arenas. Kelly Brough, Office of Accountability & Reform, will manage use of the tickets. Travel by City employees must be for pre-approved, official City business, thereby relieving the City budget.

Proxy Partners will receive 20% of the cash value of the deal and 10% of the tickets.

Councilwoman Faatz asked if the ratio of tickets to cash could be renegotiated after the first year if the City does not use all of the tickets. Mr. Finlaw said most airline offers consist of 10% cash and 90% tickets. The SWA deal is 50% cash.

Councilwoman Johnson said the logo in lights on the stage towers is very close to the edge of the policy of no advertising within the amphitheatre, and she worried it might be opening a door.

Councilwoman Lehmann expressed reservations about a policy of allowing temporary naming rights to rooms in City facilities.

3. Denver County Cultural Council

Committee Action

The Committee approved amendments to the contract with Jane Potts, Program Manager for DCCC.

Summary of Discussion

Jane Potts, DCCC Program Manager, and the Committee discussed several topics.

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2006 Grant applications

- 99 grant applications were received (see attached list), which is 108 fewer than in 2005.
- 6 first-time applications were received this year.
- \$1,826,127 was requested, up from \$1,647,196 in 2005.
- \$1,650,000 is anticipated in SCFD funding (SCFD will approve final amount in late April).
- DCCC will meet with the applicants through June to evaluate their mission, finances, organization, programs, outreach, education, marketing and audience.
- Following that process, DCCC will determine final grant amounts.

Ms. Potts noted that Theatre in the Park did not submit a grant application this year. The group has presented musicals in Civic Center Park for 16 years, raising over \$1 million to stage 116 performances of 53 shows with a total audience of over 200,000. Ms. Potts contacted the director to ask why no application had been received and was told that fund-raising had met the “Katrina backlash” and the City no longer seemed interested in working with the group.

Committee members expressed concern about the possible loss of Theatre in the Park and the reported lack of interest on the City’s part. Ms. Potts said that DCCC and Commission on Cultural Affairs members have met to work on identifying Denver’s “cultural gems” such as Theatre in the Park and creating a “cultural ambulance” with the aim of providing emergency assistance. Both Ms. Potts and Benjamin Phelan stressed the need for more cooperation between the two organizations to stem the erosion of opportunities for small groups to perform.

DCCC and DPS

Ms. Potts said that some of the groups have experienced problems in providing their programs to the schools. The emphasis on tutoring for standardized tests has eroded the classroom and after-school time available for arts programming and led to cancellations. Ms. Potts, Maruca Salazar, the DPS appointee to DCCC, and Janet Montgomery, the DPS Arts Curriculum Coordinator, brought this problem to the attention of the DPS Superintendent’s office.

The Committee invited Ms. Potts to the DPS/City Council luncheon meeting on April 7 to discuss this issue. Councilwoman Johnson noted that the framing of the problem should be in terms of the benefit to the children rather than the problem of the Tier III organizations.

Management contract

Councilwoman Lehmann said some members of City Council had voiced concern that that the annual contract with the DCCC Program Manager should be put out to bid. After discussing the contract with the City Attorney’s office, Council President Rodriguez, and Council staff, and reviewing the Manager’s activity reports and performance reviews from the past years, she has formulated recommendations regarding the contract. Foremost, she recommends that the contract not be bid.

This is not a routine services contract, and DCCC program manager is a very unique position. The Tier III organizations are artists, not businesses, and the skills and knowledge necessary to help them succeed are not widely available. Ms. Potts has developed strong working relationships with the Tier III groups, and she knows and understands their nuances. She inaugurated the technical assistance support system when she recognized the need and is dedicated to making the organizations successful to the benefit of Denver residents.

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Mr. Phelan, DCCC member, said the DCCC is an all-volunteer body, and the knowledge Ms. Potts brings is invaluable, as is the continuity of having the same person in the position year after year. Ms. Potts thanked Councilwoman Lehmann for her support. She said continuity and familiarity with the organizations is critical, pointing out her early recognition of and follow-up on the problem with the school cancellations.

Councilwoman Lehmann recommended amendments in the list of “work to be performed”, which has not be updated since its inception, to more accurately reflect the work Ms. Potts performs and to delete the purely ministerial directions.

She also recommended that Council approve a 2-year contract for 2007-2009 with one 2-year renewal option. The Committee agreed.

DCCC Recruitment

Ms. Potts said there will be two openings on the DCCC in October. Recruitment efforts will begin in earnest in June, but she is constantly talking to individuals and organizations about finding good people who represent the various Denver communities. The DCCC needs to reflect Denver’s ethnic, age, gender, and geographic diversity.

The positions will be advertised through the news media, including the large outlets and the smaller niche media. Information for applying will available on www.TierIII.org and the City Council webpage on www.DenverGov.org. Announcements are sent to al registered neighborhood organizations.

Council members are urged to encourage members of their communities to consider seeking appointment to the DCCC. Information will be provided for members’ newsletters.

Gretchen Williams
04-15-06