

Minutes
Special Council Meeting
May 11, 2020
3 p.m.

Pennsylvania Council on the Arts
Skype Conference Call

Karl Blischke, Executive Director, welcomed those in attendance and turned the meeting over to Chair Parks.

Chair Parks called the meeting to order and went over guidelines regarding the format of the meeting and asked Mr. Blischke to call the roll.

COUNCIL MEMBERS PRESENT VIA SKYPE: Chair Parks, Mr. Alaquiva, Mr. Astorino, Representative Ciresi, Mr. Gabel, Ms. Goldberg, Mr. Lehr, Judge Morgan, Mr. Stull, Mr. Warfield, Mr. West, Ms. Zaborney.

COUNCIL MEMBERS NOT PRESENT: Ms. Colon, Senator Iovino, Representative Pickett, Ms. Vilayphonh, Senator Ward

STAFF MEMBERS PRESENT VIA SKYPE: Karl Blischke, Executive Director; Heather Doughty, Deputy Executive Director; Jamie Dunlap, Chief of Creative Catalysts & Lifelong Learning; Amy Gabriele, Chief of Finance & Administration; Norah Johnson, Director of Public Awareness & External Affairs; Laura Kline, Executive Assistant; Sarah Merritt, Director of Creative Communities; Dana Payne, Director of DEI Initiatives, Diverse Cultures & Heritage; Seth Poppy, Director of Data Systems & Creative Services; Ian Rosario, Grants Liaison; and, Matthew Serio, Director of Creative Opportunities.

GUESTS PRESENT VIA SKYPE: Rodney Akers, Chief Counsel

CALL TO ORDER:

Jeff Parks, Chair

Chair Parks called the meeting to order at 3:03 p.m.

ROLL CALL:

Karl Blischke, Executive Director

Mr. Blischke called the roll. A quorum was established

WELCOME

Jeff Parks, Chair

Chair Parks thanked the Council for participating in this special meeting.

CONFLICTS OF INTEREST

Jeff Parks, Chair

Chair Parks reminded the Council of the PCA's conflict of interest policy.

ITEM 1 ACTION: Recommendation for Coronavirus Aid, Relief, and Economic Security (CARES) Act Guidelines

Karl Blischke, Executive Director

Chair Parks asked Karl Blischke to present the recommendation to Council.

Mr. Blischke explained that through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Pennsylvania Council on the Arts (PCA) received \$527,000 to distribute to arts organizations across the state affected by the spread of Covid-19.

Ms. Blischke stated that PCA is in receipt of those funds and this recommendation provides guidelines for the distribution of those funds in Pennsylvania.

Mr. Blischke stated that PCA staff recommend that Council authorize a one-time grant support through these federal funds to all eligible applicants who submit timely and complete applications and are able to meet both state and federal reporting requirements. Mr. Blischke stated that PCA recommends that all eligible applicants include current year fiscal year 2019/2020 awardees of the Council's Arts Organizations and Arts Programs (AOAP) program. Mr. Blischke explained that PCA also recommends the eligibility include the requirement that these organizations have at least one staff, whether that staff is a full-time staff member, or a part time staff member and have ongoing operational expenses.

Mr. Blischke explained that federal guidelines outline the acceptable usage of funds and that PCA has devised these guidelines to follow the federal guidelines with respect to use of funds. He further explained that funds can be used for salary support, fees to artists, contractors or costs associated with facilities such as rent and utilities. Mr. Blischke stated that the federal funds to PCA are non-matching and PCA recommends that the grants for these recipients through the PCA be non-matching as well.

Mr. Blischke stated that while PCA recommends that everyone who is eligible and applies receive a grant, PCA recognizes that the grant amounts will be modest based on the actual number of applicants submitted and available funds. He added that PCA anticipates that these grants could range between \$1,500 and \$3,000 dollars.

Mr. Blischke stated that PCA recommends a very simple application process whereby PCA can confirm that applicants are current year AOAP recipients and have a staff member and as well as ongoing operational expenses. Mr. Blischke added that staff will review applications for completeness, eligibility and timeliness and at a subsequent meeting, PCA will provide its funding recommendations to Council to act on. Blischke explained that those applicants that receive an award following Council action will be notified and PCA will start the award process with them.

Mr. Blischke stated that PCA anticipates, based on Council's action today, to release guidelines this month with an application due date in June, preferable early June. Mr. Blischke added that the draft guidelines for the program have been included in the Council meeting materials.

Mr. Blischke explained that PCA staff, and Amy Gabriele in particular, worked with the Comptroller so that the release of these funds will be a 100% upfront payment and will not be subject to the requirements of a reimbursed payment.

Chair Parks asked if any member of Council had any questions.

Representative Ciresi asked Mr. Blischke to clarify the criteria for getting the money.

Mr. Blischke replied that eligibility for receiving the funds are that the applicants are current year awardees through PCA's AOAP program that is basically PCA's general operating support program for direct grantees of the PCA. Mr. Blischke further explained that if these organizations in fact apply and are able to meet those state and federal guidelines, they will be eligible for an award.

Representative Ciresi asked if the award would go to operating expenses and Mr. Blischke replied that it will.

Representative Ciresi added that the biggest challenge he is seeing is how businesses will reopen. He explained that it will be interesting to see if there can be a little caveat with this grant and asked about the possibility of asking awardees to send PCA their plans for re-opening their business under these new conditions. This

information can possibly be used to formulate a plan and PCA can give suggestions on how the arts will come back to life.

Mr. Blischke replied that PCA has heard from many of its grantees and of course the big question is how to open, when to open and how to be prepared to provide an experience that audience members will feel comfortable with. He explained that those are things that PCA is surveying its grantees about and we can certainly ask these grantees to join in a conversation.

Mr. Blischke stated the he would hesitate to request a long narrative about it, but he thinks that collecting information and facilitating those sorts of conversations would be helpful.

Ms. Goldberg stated that she noticed that the eligibility and use of the funds is the same as the Paycheck Protection Program (PPP) grants/loans that are being given. She added that she knows that in some cases, some organizations have been receiving funding through the Small Business Administration's PPP Program and in some cases, have received some sizeable amounts. Ms. Goldberg stated that she knows we need to be fair to everyone but asked if this will also include those organizations that have or probably will be receiving PPP money?

Mr. Blischke stated that it is certainly possible that some of these applicants have also applied through the Small Business Administration's PPP program and they may already be recipients of it and others will not. He added that PCA is aware through conversations with organizations in the state that there are those that have taken advantage of that and have been recipients.

As to the uses of funds, Mr. Blischke stated that it is similar in terms of salary and rent expenses. He added that these are the eligible uses that have come down to us though the federal guidelines.

Chair Parks provided some additional information in response to Representative Ciresi's questions. He stated that PCA has been really monitoring this situation closely.

Parks stated that many of the independent non-profit presenting organizations, meaning any of those presenting live art, whether its music or theater, etc., have banded together for a new organization – NIVA. Mr. Parks reported that NIVA's prediction is that 25-50% of non-profit arts organizations will fail as a result of this current situation. Chair Parks stated that Germany, which has a population of approximately 80 million people has already done one fund for the arts and culture and that was approximately 100 million euro and that they are now proposing a second fund equaling about 353 million euros. Chair Parks stated that English organization that supports the arts, just for the portion of the UK that consists of England and Wales, has proposed a substantial amount of approximately 50 million pounds to support arts organizations and artists in England.

Parks reported that Pennsylvania was given \$527,000 from the \$75 million proposed for the 310 million people of the United States of America and the arts organizations here.

Chair Parks explained that there was no solution in terms of being Solomon-like and being able to save any of the 600 AOAP organizations that receive funding from the Council, each of which has a budget of \$200,000 or more. Chair Parks stated that we need to recognize that this is a solution to distributing funds but is not a solution to saving the arts. Parks explained that there is a general perception, perhaps among the public, that among public officials who make policy, that the arts are a luxury when people are starving and don't have enough funds to buy food and don't have jobs. Parks stated that it is up to us to who care about the arts to be advocates and he thinks the conclusion among the National Association of State Arts Agencies, is without substantial federal funding for state government funds, the arts are going to suffer deeply in this entire country and we will not emerge immediately into the world that we knew before this all happened. Chair Parks added that this is a drop in the bucket and that we are hoping that with the communication, those organizations that

have already realized that they are not going to make it through will not accept the funding so that we can forward additional funds to those organizations, as small as it may be, who will come out at the other end of this.

Chair Parks explained that the organization that he was formerly the head of has been informed by their international group, the International Festival and Events Association, not to expect any large public gatherings globally until late 2021.

Chair Parks explained that if you've been reading the New York Times or any other arts publications, you know that trying to run the programs that have been run in the theaters with the 25% of audience capacity is simply not a formula for survival, let alone success. He stated that this is a deep problem and without the federal government stepping up to at least salvage the state government, so they can continue their relatively modest support of the arts, we are going to lose a lot of arts organizations, not to mention the gig workers – the musician, performers and actors who participate in this activity.

Chair Parks asked for a motion. Mr. Stull made a motion to approve the recommendations. Ms. Goldberg seconded the motion. Motion carried, none abstained or opposed.

ITEM 2 INFORMATION: Public Comments

Chair Parks announced that the council has allotted time to hear public comments.

Iquail Shaheed, Executive Director of Dance Iquail based out of Philadelphia, requested to make a comment. Mr. Shaheed stated that he is the Executive Director of Dance Iquail and also serves as the Treasurer of the International Association of Blacks in Dance and is also a Trustee for Dance USA, both of the last two organizations are international service organizations dedicated to dance in the US and abroad.

Mr. Shaheed asked if the Council might be able to speak to entry track and/or preserving diverse cultures, in terms of why they may not be able to apply for CARES funding when they meet the same requirements as AOAP program, meaning that most of them have budgets of over \$200,000, they have staff and they meet both of the federal and state guidelines.

Chair Parks asked Karl to address Mr. Shaheed's question.

Mr. Blischke thanked Mr. Shaheed for his question. Mr. Blischke stated that the Pennsylvania Council on the Arts does have a large number of programs and grantees that it works with across the state. Mr. Blischke explained that in terms of the CARES Act funding, in order to make timely direct grants at a reasonable amount to a pool of organizations PCA looked at providing these types of support to our long established AOAP program and those that we have most often made grants to, recognizing that of course there are arts organizations across the state, all of whom have experienced deep and impactful difficulties based on this pandemic.

There were no other requests to make comments.

Chair Parks thanked everybody for attending and stated that if there were ever a time for advocacy, whether its with your state or federal officials, this is the time.

Meeting was adjourned at 3:28 pm.