

**Minutes
Council Meeting
December 5, 2019
9 a.m. - 2 p.m.**

Pennsylvania Council on the Arts
Dixon University Center
Harrisburg, PA

COUNCIL MEMBERS PRESENT: Mr. Astorino, Representative Ciresi, Mr. Lehr, Judge Morgan, Mr. Parks, Mr. Stull

COUNCIL MEMBERS PRESENT VIA PHONE: Mr. Alaquiva, Ms. Colón, Ms. Goldberg

COUNCIL MEMBERS NOT PRESENT: Mr. Gable, Senator Iovino, Representative Pickett, Senator Ward, Ms. Vilayphonh, Mr. Warfield, Mr. West, Ms. Zaborney

STAFF MEMBERS PRESENT: Karl Blischke, Executive Director; Heather Doughty, Deputy Executive Director; Jamie Dunlap, Chief of Creative Catalysts & Lifelong Learning; Amy Gabriel, 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: Rodney Akers, General Counsel; Noah Erwin, Office of Senator Iovino; Jenny Hershhour, Citizens for the Arts in Pennsylvania, Lisa Robinson,

CALL TO ORDER: *Jeff Parks, Chair*

Chair Parks called the meeting to order at 9:09 a.m.

ITEM 6 INFORMATION

Folk and Traditional Arts Program Presentation

Dana Payne, Director of DEI Initiatives, Diverse Cultures & Heritage

At the request of Chair Parks, Ms. Payne provided a brief overview of the Folk and Traditional Arts Program. Ms. Payne explained that her primary role in the implementation of PCA's strategic plan is outlined in Strategy 4, which is to promote and expand coverage of the Folk and Traditional Arts Infrastructure Program. She stated that in July of 2019, Council approved funding for the six current folk arts partner organizations and two provisional organizations, which increases coverage and direct services offered from 32 counties to 40 counties. This aligns with Items 3 and 4 of the strategic plan.

Ms. Payne explained that because she has received questions about the program from Council members over the past few months, she invited one of PCA's folk arts partner organizations to give a presentation about their organization and the role that they serve in their community as well as the activities that are supported by PCA through the Folk Arts Partnership Program.

Ms. Payne introduced two representatives from the Walk In Art Center in Schuylkill Haven, Pennsylvania: Lisa Robinson, Executive Director of Jenna Winton, folklorist.

Ms. Robinson and Ms. Winton's presentation to Council gave an overview of the Walk In Art Center's activities that are supported by the PCA Folk & Traditional Arts Partnership funding. They explained that The Walk In Art Center occupies space in the former Walkin Shoe Company factory and serves as a community hub and a catalyst for revitalization working with the Penn State University- Schuylkill Campus and other regional organizations. They added that the Walk In Art Center created The Folk Art Alliance of Berks, Carbon and Schuylkill Counties and presents an annual folk art festival, conducts outreach to schools through teacher training programs (Act 48 STEAM), hosts artists in residence, and offers apprenticeship workshops and other programs.

Ms. Wilkinson explained that the mission of the Walk In Center is to discover, document and celebrate folk and traditional arts through education and purpose. She added that their goal is to show local folk artisans and that what they do has value and is important to preserve.

Mr. Parks asked if anybody had any questions regarding the presentation.

Ms. Johnson asked if word of mouth has a lot to do with how the Walk In Center finds audience.

Ms. Robinson replied that word of mouth is one way that they find audience and added that another way is by forming connections with community partners and working with Kutztown University and Penn State University as well as with school districts and local art centers.

Ms. Payne asked if the Walk In Center is still used as a recruitment tool for the local hospitals

Ms. Robinson replied that a new hospital was recently built in the area and the Walk In Center was used as a recruitment tool to show potential employees that there is arts and culture in Schuylkill County.

Chair Parks asked about The Walk In Center's model for sustainability for folk arts programs.

Ms. Wilkinson replied that she recently received her master's degree and for her thesis, developed a model with strategies for communities to preserve its folk arts traditions.

Chair Parks asked Ms. Wilkinson if she would be willing to share some of her findings and she replied that she would share her field report with council members.

Ms. Payne also provided an update on the addition of her role as Director of Diversity, Equity and Inclusion (DEI.) She explained that over the course of the next five years, she will be leading the agency in the development of a DEI plan as well as policies to inform PCA's operations and programs. This aligns with items 3 and 4 of the Strategic Plan.

Ms. Payne explained that initially, she will develop a scope of work to engage the services of a consultant or consultants to help examine our current understanding of what DEI is and what our current status is in light of the direction of the PCA's strategic plan. She stated that this will be achieved by asking questions to determine whether our policies are in alignment with our goals in terms of internal operations and our programs.

Ms. Payne reported that the goals of the plan are to define values and to create strategies and concrete actions to achieve PCA's objectives to enhance diversity, increase equitable opportunities and create a culture of inclusivity and respect.

Ms. Payne stated that a consultant should be in place and some internal assessment should be completed by Fiscal Year 2020-2021. Ms. Payne anticipates that the consultants will be presenting in front of Council.

Arts and Marketing Training Initiative Update

Norah Johnson, Director of Public Awareness & External Affairs

Ms. Johnson provided Council with an update regarding the PCA's arts and marketing training initiative. At the October meeting, Ms. Johnson reported that the program was going to now provide services to arts and cultural organizations regardless of their capacity. Ms. Johnson stated that PCA has been in the process of planning four 2-day training sessions across Pennsylvania that will be provided at no cost for attendees. She stated that PCA will also be launching a digital classroom in early 2020. Three of the 2-day training sessions have been scheduled and the fourth one is set to be scheduled in northeastern Pennsylvania.

Ms. Johnson reported that the most recent set of applicants and attendees from the marketing training program and the applicants to the most recent application period attended the National Arts Marketing Project, which was in November 2019. These attendees were from areas across Pennsylvania. Ms. Johnson said that she received a lot of positive feedback about the program and its curriculum and she explained that there were people in Cohort 1 and Cohort 2 who were able to meet and mentor the applicants for Cohort 3. The participants were thankful to Council for providing the opportunity for them to attend this national arts marketing program.

Ms. Johnson stated that she would send her presentation slides to council members should they wish to share this information with any other arts organizations.

Ms. Johnson reported that these training programs are open to anyone involved with an arts or cultural organization in Pennsylvania. She also reported that PCA is in early stage conversations about the possibility of expanding this opportunity to creative entrepreneurs.

PCA Marketing Activities

Norah Johnson, Director of Public Awareness & External Affairs

Ms. Johnson provided Council with an update on the status of the PCA marketing contract. She stated that PCA has been working to engage a firm to create a new look and feel for PCA's brand. Ms. Johnson also stated that we are looking forward to working with the Council members who have expressed an interest in working on this project with staff.

ROLL CALL

Karl Blischke, Executive Director

Mr. Blischke called the roll. A quorum was established.

WELCOME

Jeff Parks, Chair

Chair Parks recognized guests in attendance and welcomed Noah Erwin from Senator Iovino's Office as well as Jenny Hershhour from Citizens for the Arts in Pennsylvania.

Chair Parks asked Ms. Hershhour to provide Council with a brief update on the activities of Citizens for the Arts in Pennsylvania.

Ms. Hershhour thanked PCA for the grant that was given to Citizens for their *Arts and ... Summit* that was held in November at Rock Litz. She reported that the summit went well and that there were about 120 participants. Ms. Hershhour especially wanted to thank Chair Parks for his participation as a panelist at the event. She stated that she has received a lot of positive feedback from the post-event surveys as well as handwritten notes. Ms. Hershhour remarked that the thing that the participants valued the most was the opportunity to network.

Ms. Hershour stated that Citizens has about \$10,000 left in Professional Development and Consulting grant for this calendar year and will be asking for an extension. Ms. Hershour reported that Citizens will be opening the application process for next year's grants on December 15.

Ms. Hershour reported that she will be retiring in November 2020. She explained that she has been doing this job for a very long time and it has been her pleasure to work with the Council and staff. She looks forward to helping a smooth transition with her replacement.

Chair Parks thanked Ms. Hershour for her service and hard work on behalf of the arts.

Mr. Blischke also thanked Ms. Hershour.

Mr. Blischke reported that the summit was held at Rock Lititz, which was a Governor's Award recipient this year. Mr. Blischke encouraged Council members to visit the Rock Lititz campus. He explained that it is a real jewel in Pennsylvania and that with their business and satellite businesses, Rock Lititz campus employs about 1,500 people in Lititz, PA and they are expanding.

Mr. Parks addressed Ms. Hershour's comments about the need for more broadband internet service across the state. He stated that he recently met with a representative who indicated that there is a deal in the works between the legislature and communications utilities that will finally fund broadband over these regions in the state and stated that this access is critical for economic development opportunities for these areas.

Representative Ciresi confirmed that this bill has passed in the house and senate and that it is anticipated that the Governor is going sign the bill to move the initiative forward.

CONFLICTS OF INTEREST

Jeff Parks, Chair

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

ITEM 2 ACTION: Approval of the Minutes of the October 17, 2019 Council Meeting

Chair Parks asked for a motion to approve the October 17, 2019 minutes. Motion to approve the minutes was made by Representative Ciresi and seconded by Mr. Lehr. Motion carried, none abstained or opposed.

ITEM 3 ACTION: Recommendation for Pennsylvania Creative Communities

Sarah Merritt, Director of Pennsylvania Creative Communities

Chair Parks asked Sarah Merritt to review the recommendation for Pennsylvania Creative Communities to the Council.

Ms. Merritt stated that the rollout of the Creative Communities initiative has been nearly a year-long endeavor. She explained that the program was introduced in May and the level of interest was greater than expected.

Ms. Merritt reported that one of goals of the Creative Communities program is to come up with ideas for how PCA can help these communities. Ms. Merritt stated that she is in the process of creating an extensive resource list for communities that includes toolkits, a list of qualified consultants that work across the country and across the state, and access to other grant and funding opportunities.

Ms. Merritt gave a brief overview of the roll out of the program. She reported that a panel met in July to review the letters of interest and recommend the 15 communities for site visits. Ms. Merritt conducted the site visits in August and after review of the site visit reports, the panel selected 10 communities to complete a full application.

The panelists reconvened on November 19th to select the 4 communities listed below to recommend for the Creative Communities pilot initiative:

1. Sharon, Mercer County - Lead applicant: Shenango Valley Chamber of Commerce
2. Meadville, Crawford County - Lead applicant: The ARC of Crawford County
3. Lancaster, Lancaster County - Lead applicant: Spanish American Civic Association and Millersville University
4. Mifflin Square Park neighborhood, Philadelphia - Lead applicant: Southeast Asian Mutual Assistance Associations Coalition (SEAMAAC)

Ms. Merritt stated that PCA staff recommend these four communities for Council's consideration.

Representative Ciresi asked how PCA is planning to assess the success and value of the pilot program.

Ms. Merritt replied that a method of measuring success was built into the program and a search for a consultant who could evaluate the work as well as the results was conducted. She stated that PCA was able to identify Metris Arts Consulting, which is the leading consulting firm in the country in creative placemaking. Metris, based out of Easton, Pennsylvania, has worked with National Endowment for the Arts and other major organizations. Ms. Merritt explained that PCA was able to obtain a four-year contract with Metris Arts Consulting and that Metris will be working with each of the creative communities as we move through the entire process. Metris will create customized evaluation tools and will implement the evaluation by capturing qualitative and quantitative data to ensure that these projects are sustainable.

Ms. Goldberg asked about the amount of funding per year and whether it is up to \$25,000 per year and not an automatic \$25,000. She also asked how the determination is made.

Ms. Merritt replied that for this first year, the recommendation is for each community to receive the entire \$25,000 per year for those four years.

Mr. Blischke added that there is a matching requirement and that to qualify for the full \$25,000, the organizations need to match that amount.

Ms. Merritt explained that as part of that match, the local government entity has to contribute 10%, either cash or in-kind. She also added that an additional requirement for the grantee is that they must obtain a local government resolution supporting this work and pledging that they will contribute the 10% for the project.

Representative Ciresi asked if the City of Philadelphia is required provide the resolution and Ms. Merritt replied that yes, it is a condition for the funding and that she has been working to assist in getting the resolution.

Chair Parks had a question about the Sharon project and noticed that it does not contain the word "art" or "creative industries." He asked Ms. Merritt to share why this community was selected.

Ms. Merritt explained that this project is for a creative industry space that they are planning for creative entrepreneurs (i.e. woodworking, graphic design, media and film.) Ms. Merritt stated that one of the things that really stood out for the panel with this project is the metrics, the workforce development component and the emphasis on accessibility for citizens in the community with physical and mental disabilities.

Chair Parks thanked Ms. Merritt for all her hard work on this project.

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

ITEM 4 ACTION: Recommendation for the Pennsylvania Creative Business Loan Fund

Karl Blischke, Executive Director

Chair Parks asked Mr. Blischke to review the recommendations for the Pennsylvania Creative Business Loan Fund.

Mr. Blischke reported that the Pennsylvania Creative Business Loan Fund is a new initiative that came about through an action item in PCA's strategic plan to support creative entrepreneurs in the state by identifying existing professional development, capacity building and capital access programs and leveraging those on behalf of the arts.

Mr. Blischke stated that PCA was able to identify those resources and leverage significant funds on behalf of artists in Pennsylvania. Mr. Blischke explained that staff is requesting that Council authorize \$500,000 for the creation and initial capitalization of the Pennsylvania Creative Business Loan Fund.

Mr. Blischke stated that the initial \$500,000 funds are available because Council discontinued forward funding Pennsylvania Partners in the Arts Project Stream giving PCA a one-time balance that can be used this year. He further explained that this year's grants are already paid for from last fiscal year. Next year's grants will be paid out of next year's budget. Mr. Blischke stated that with this allocation, we are not reducing any grantees grant amount.

Mr. Blischke reported through this loan fund, PCA would partner with two well established community development financial institutions in the state that have long track records of serving communities in Pennsylvania and providing services to small businesses. The financial institutions are Bridgeway Capital and the Community First Fund. Mr. Blischke stated that both of these financial institutions have a history of working with the Department of Community and Economic Development on small business programs.

Mr. Blischke stated that for the first time, PCA will be putting a priority and a focus specifically on artist entrepreneurs and creative sector small businesses. He reported that PCA would contribute \$500,000 which will go toward the loan fund and that Bridgeway Capital and Community First Fund will each put in \$1 million for a total of \$2 million. He stated that this will be a \$2.5 million program.

Mr. Blischke explained that with the one-time grant this year, PCA can enter into a 5-year contract with these financial institutions to run this program over 5 years as a revolving loan program for small creative sector businesses. He further explained that he does not anticipate the need for future investment from the Council because if the program is successful, PCA can go to other investors and other community development financial institutions, foundations and banks to further capitalize this fund.

Mr. Blischke stated that he thinks this is a unique opportunity and because Pennsylvania would be one of the first state arts agencies to operate in this space, PCA would be setting some new ground. Blischke also stated that he thinks it would really signal that the arts, and artists in particular are a real part of our communities and the economy and added that small business is the way that jobs are created in aggregate in this state. Mr. Blischke explained that this program would have triple benefits in advancing artists, opportunity and when small businesses get going in communities, that also helps to change the social fabric of the community.

Mrs. Goldberg stated that Mr. Blischke referred to the program as a revolving loan and asked for further explanation.

Mr. Blischke explained that if a loan is paid off and it is within the grant period, those funds could be re-deployed for another small business.

Mrs. Goldberg followed up to her question by asking if a small business that originally received a \$5,000 loan, would be permitted to go and apply for another loan during that 5-year period.

Mr. Blischke responded that the small business could potentially apply again but it would depend upon the structure of the loan. He explained that essentially, when the loan funds are paid back, that would make those loan funds available for an additional loan or transaction.

Ms. Goldberg asked if Bridgeway and Community First were previously funding small arts organizations.

Mr. Blischke responded that both organizations have made some deals with arts organizations including some non-profits and some for profits. Mr. Blischke thinks it is part of a strategy, particularly for Bridgeway, in looking at a growing craft business accelerator that they administer. For Community First, they see it as a new market and focus to enhance the availability of capital in this space. Community First also sees it as a sector that isn't fully served already by traditional small business lending.

Chair Parks stated that PCA sought to hire somebody who was familiar with economic development because the arts play a strong role and people across the state are aware of the need of creative industry to be supported, funded and nurtured as much as possible. He added that this is a space where we are not competing with any other state agency or lender.

Mr. Parks stated that this initiative contains components that to date, have been missing in assisting creatives and artists in developing their business and that it is a great thing for the Council to support communities all of which have creatives who need this kind of assistance. Chair Park also explained that this program contains a diversity, equity, and inclusion component and that although it is not set in stone, the goal is to have 50% or more of the borrowers to be female owned businesses and to have a significant portion of the loans to go out to ALANAH communities.

Ms. Goldberg asked Mr. Blischke to identify the role that PCA would play in partnering with the two loan organizations.

Mr. Blischke replied that PCA will have a very significant role and it will be PCA's responsibility to have oversight from a contractual standpoint. Blischke explained that PCA will work with its chief counsel to develop a very specific contract for this program because it is different than our other grant award agreements. He added that PCA will also get some assistance from DCED on the development of this agreement.

Blischke stated that this program is for creative industry artist lead businesses and that PCA will be able to set parameters in its contracts with the loan administrators. Mr. Blischke added that PCA will be following and getting notices on each transaction and the balance of the overall fund, so PCA will be in primarily the oversight monitoring position.

Mr. Blischke stated that Bridgeway and Community First will be servicing the loans because PCA does not have the in-house expertise or subject matter experts in servicing loans. The loan administrators will provide due diligence and underwriting and they will use standard best practices in underwriting these loans.

Mr. Blischke added that this program is not to give loans to people who have no way of paying them back and they are not loans to save a business, but rather about growth opportunities for arts. Mr. Blischke also explained that PCA will only have two contracts: one with Bridgeway and one with Community First Fund, not with each individual loan.

Mr. Blischke also reported that Community First and Bridgeway have networks beyond our networks for marketing this program and he referred to the chart in the council book that highlighted some of their existing partnerships.

Mr. Lehr asked if Mr. Blischke sees this initiative growing, and Mr. Blischke responded that he does see this as growing and thinks it is a real opportunity. Mr. Blischke added that if it goes well, he is hopeful that other community development and financial institutions would want to invest in the loan program and is hopeful that this will raise awareness for the creative sector as a viable investment for capital lenders.

Ms. Goldberg stated that she thinks it is an excellent opportunity to partner with these organizations and also this is an excellent opportunity to provide an additional product to the arts community other than the grants and some of the other things that we do. Ms. Goldberg added that she thinks that being able to do this is really forward thinking and fully supports this.

Representative Ciresi also supports this program. He asked the Council to consider the possibility of requiring some sort of community service to be part of the program and suggested requiring a certain amount of hours of service, either doing arts in school or arts in the community, so that there is an ownership side because we are giving a lower interest rate loan. He stated that this would serve as a reinvestment that benefits the arts in the community that we are giving this back to.

Chair Parks replied that in his experience with artists, they are often asked by the community to volunteer their services to the community. Parks also added that an artist entrepreneur who ends up with a successful business will be able to pay back with sales taxes and income taxes.

Mr. Parks stated that he supports this initiative because CDFIs know how to both screen for loans and they are counting on a loss ratio of less than 5%. Mr. Parks also added that the loan recipients are going to be heavily encouraged to be successful and make a profit in order to pay back their loans.

Mr. Astorino reported that he, Ms. Merritt and Mr. West visited 7800 Susquehanna Street/Bridgeway, a facility in Homewood Pennsylvania. He stated that this building is an old Westinghouse factory that was vacant for a long time and is now filled with artists and houses training facilities for the community. Mr. Astorino said he was very impressed the facility and that it is doing a wonderful thing for the community. He encouraged Council members to visit this facility if they are in the area.

Mr. Blischke stated that if interested, he will send a link with more information about 7800 Susquehanna Street.

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

ITEM 5 ACTION: Recommendation for Strategic Impact Initiatives

Jamie Dunlap, Chief of Creative Catalysts & Lifelong Learning

At the request of Chair Parks, Ms. Dunlap provided a brief overview of the recommendations for the Council.

Ms. Dunlap stated that the recommendations for strategic support is the funding request that she brings to Council quarterly regarding different strategic projects or initiatives that are happening around the state as well as national or statewide conferences. Ms. Dunlap explained that in this case, it is a national convening of the American Institute for Graphic Arts (AIGA) which will be hosting its national convention in Pittsburgh at the end of March and early April 2020 at the David L. Lawrence Convention Center.

Ms. Dunlap proposed that PCA supports the conference with \$10,000. She stated that the reason that the AIGA is being presented is because it aligns with PCA's goals of building bridges in and with creative communities. In this case it is the design community.

Ms. Dunlap stated that the AIGA's 2020 conference will be defined by the theme of "bridges" and will address the following questions: Who are those in the creative communities building bridges to new ways of thinking, new

ways of living, and new ways of creating? Ms. Dunlap explained that this aligns with what PCA is trying to do in supporting creative industries.

Ms. Dunlap added that in addition to the professional development component of the conference, there will also be a design maker fair that Mr. Serio shared at the last meeting as well as some sessions that are physically designed for students in higher education as well as for emerging designers to help them get their foot in the door and move forward into the that industry.

Ms. Colón asked how many people are anticipated to attend this conference.

Mr. Serio shared information that there will be over 90 presenters and that they are anticipating thousands of attendees.

Chair Parks asked if this organization was for graphic designers.

Ms. Dunlap replied that it was originally established for graphic designers but it has been growing to include a lot of different components of design, including digital crafting, vetting technology into design, and design thinking and other measures beyond just graphic design.

Ms. Dunlap added that AIGA has three offices of this organization throughout the state as well as many college chapters.

Representative Ciresi asked if there is a way to find out how much AIGA and the attendees spend while at the conference because he thinks this information will be valuable when PCA funds these types of conferences. Ms. Dunlap replied that the Pittsburgh Convention and Visitor's bureau would have those numbers and she will contact them to get this information.

Mr. Stull asked what PCA's purpose is for the \$10,000 and if we offer these types of grants to try to encourage national conference to come to Pennsylvania.

Ms. Dunlap responded that part of the purpose of the \$10,000 grant is to encourage national convenings to come to Pennsylvania. She stated that the other part, strategically, is that we can start to build a relationship with this organization and with all of their affiliates around the state which would be a potential for growth.

Mr. Astorino asked if PCA would be acknowledged for providing the grant and Ms. Dunlap replied that they will display our logo on their conference website as well as their collateral material. She also added that Mr. Serio is planning on attending the conference on behalf of PCA with the hopes of being able to make connections and drive people back to our website.

Mr. Serio added that PCA will have a presence in conference marketplace.

Chair Parks asked for a motion. Mr. Lehr made a motion to approve the recommendations. Representative Ciresi seconded the motion. Motion carried, none abstained or opposed.

ITEM 5A ACTION: Guidelines for Statewide Creative Catalysts Grants.

Jamie Dunlap, Chief of Creative Catalysts & Lifelong Learning

Ms. Dunlap explained that PCA is required to follow Management Directive 305.20 which states that PCA must make sure that our grants are competitive in nature.

Ms. Dunlap stated that this action item for the guidelines for statewide creative catalysts is in response to that management directive and is taking what PCA has been doing in the strategic initiatives support

category and making it align with the management directive.

Ms. Dunlap explained that Amy Gabriele worked with her on these guidelines and they have been designed to be very simple and easy to understand.

Ms. Dunlap stated that the guidelines will ask for the purpose of the proposed conference or research project and how it aligns with the PCA's goals and mission. This requirement is that it must align with one or more of our goal areas as well as demonstrating potential statewide benefit for the creative sector while also being mindful of diversity, equity and inclusion. Ms. Dunlap noted that these questions are currently things that have always been asked, it is now just in a formal document that will be posted to the website and when the program is formally promoted and shared broadly.

Ms. Dunlap explained that the typical grant amount will be between \$5,000 and \$10,000. She noted that this program is not for ongoing support. This is a catalyst grant with the purpose of providing support for projects or conferences that may come to PCA for the first time or something new that PCA is trying to get off the ground.

Ms. Dunlap reported that the application review process will be on a quarterly basis. She added that PCA will bring any recommendations that are received to the Council for review and it will continue to be a rolling deadline.

Chair Parks asked for a motion. Judge Morgan made a motion to approve the recommendations. Mr. Lehr seconded the motion. Motion carried, none abstained or opposed.

ITEM 7 INFORMATION (Continued):

Council Policies

Heather Doughty, Deputy Executive Director

At the request of Chair Parks, Ms. Doughty provided an overview of the plans to undertake a review of PCA policies. She reported that currently, there are a number of policies that are showing their age. Ms. Doughty gave the restricted funding for art therapy as an example of an outdated policy.

ITEM 8 DISCUSSION Report from the Committee to Review Responsive Funding

Judge Morgan, Committee Chair

Judge Morgan provided a report of the December 4, 2019 Committee to Review Responsive Funding which was held at the PCA offices.

Judge Morgan reminded the council of the goal of the committee, which is to issue a recommendation to council by March 2020, with policy recommendations about how Council should fund responsive funding moving forward to make sure it aligns with our strategic plan.

Judge Morgan reported that the goal at the third meeting was to discuss the values and priorities that the committee members would like us to consider related to our own operating support program. Judge Morgan stated that there were two presenters from NASAA at the committee meeting: Kelly Barsdate and Ryan Stubbs who had conducted studies that were made specifically for PCA. Ms. Barsdate and Mr. Stubbs presented their findings and case studies and provided valuable information about other state arts agencies.

Judge Morgan reported that after the presentation, the committee members discussed which elements and priorities in those states' programs resonated with PCA. He added that PCA staff led committee members through

a discussion about the values and priorities that are related to our own general operating program. Through that discussion, we came up with the below summary of points:

- Any changes in funding parameters will require early and consistent communication with all stakeholders.
- The PCA has been successful in providing general operating support across the commonwealth that includes small and large organizations and programs. This means we have a growing number of grantees in that category. Unfortunately, our budget is not growing.
- Reaching equitable distribution goals may involve looking at all of the PCA's programs to evaluate its reach and to make progress toward equitable funding goals.
- State arts agencies across the nation have found general operating support programs one of the most difficult parts of their portfolios in term of affecting change.
- In the past, local government programs sought to encourage and leverage local government's support of the arts. There may be ways to consider local government involvement.

Judge Morgan reported that the committee's next meeting is a phone conference on December 13. Eddie Torres, President and CEO of Grantmakers and the Arts will give a presentation of both the historical context in grantmaking in the arts as well as the national perspective of equitable grantmaking.

Judge Morgan explained that after the December phone meeting, the staff will begin drafting the recommendations for us and there will be a review of those recommendations and a discussion about them at the next committee meeting, which will be on March 11, 2020. Judge Morgan stated that he is unsure if we can get everything done without having an interim meeting there so there may be an additional meeting some time in February.

Judge Morgan stated that he expects to share several iterations and recommendations based on committee member feedback and that is why there may be a need for a committee meeting prior to the March meeting because the goal is to present findings to council.

Judge Morgan reported that we are going to need input from the members of legislature who sit on Council. He stated that PCA has been greatly successful in reaching out to every county in the commonwealth and has been successful in terms of nurturing hundreds of new organizations that have come into the pipeline and believes there are hundreds more who are out there.

Judge Morgan stated that PCA's budget, in terms of the value of the dollar, is equal to what it was in the late-1980s and the reason we had this committee established is because currently, there are parity issues among the grantees, and the committee must make the difficult determination of whether or not PCA will institute parity.

Chair Parks encouraged Council members to attend the March meeting. He stated that responsive funding has been an issue that has needed to be addressed, especially since more and more cultural organizations are seeking support from Council. Chair Parks added that the committee will try to get as much information to everyone before the meeting as possible and stated that he doubts that we are going to resolve it by March but we must resolve it by the next budget year or at least set a plan for the next two budget years. Chair Parks thanked Judge Morgan for taking on this task.

ITEM 9 Chair Report

Jeffrey Parks, Chairman

Chair Parks reported that the next Art Sparks unveiling will be on December 17th at the Hickory Run Service Plaza in the Poconos where students from the Panther Valley Middle and High School worked with one of the PCA's arts in education partners, Allentown Art Museum, and a teaching artist to create a permanent art installation for the

plaza. Chair Parks added that ArtSparks is a collaborative initiative with the Pennsylvania Turnpike Commission and stated that Council members are welcome to attend.

Chair Parks shared the following grant recognition information:

Culture Lab, a Philadelphia based Strategies for Success basic level grantee, received a \$271,000 grant from the William Penn Foundation's New Audiences/New Places grant program to support the Olney Embrace Project – using art as a catalyst for community development and social change.

The Legacy Arts Project in Pittsburgh, a Strategies for Success advanced level grantee, was among 20 nonprofit organizations from 13 states selected to participate in the third cohort of the National Guild for Community Arts Education's Catalyzing Creative Aging Program. This multi-phase program is provided in partnership with Lifetime Arts, a nationally recognized leader in designing and disseminating model creative aging programs for active older adults, with the support from Aroha Philanthropies, St. David's Foundation, and other generous supporters. The initiative is designed to support the establishment of high-quality and effective arts education programs for older adults that increase social engagement and mastery of one or more art forms.

Chair Parks stated that Representative Ciresi met with a few arts organizations in Pittsburgh and asked Representative Ciresi to provide an update on his meetings.

Representative Ciresi reported that after the Governor's Awards for the Arts ceremony, he and his wife traveled to Pittsburgh and spent three days visiting multiple arts organizations. He stated that he found the trip to be very eye opening, especially the differences between Pittsburgh and Philadelphia. He explained that each city has a totally different way in which they support arts and fund the community.

Representative Ciresi reported that he appreciated the way the City of Pittsburgh funds the arts and stated that he found that the Allegheny Regional Asset District (ARAD) program was very eye opening and he would like to investigate that program to see if that funding model could be used throughout the commonwealth.

Karl Blischke explained that the ARAD program is a highly visible and well-funded local taxing district called the which makes major annual contributions to the arts, sports and other things that amounts to about \$100 million dollars per year. Mr. Blischke added that not all of that money goes to the arts, but the amount that does is significant.

Representative Ciresi added that he really appreciated the organizations that took time to meet him. Representative Ciresi encouraged Council members to visit the areas that we are helping. He stated that the Pittsburgh trip gave him a completely different understanding of the arts and how PCA should go about promoting its programs.

Chair Parks also reported that he has been approached by two of the state universities, Kutztown and Lock Haven, for different reasons, and shared information on each one.

Chair Parks reported he was invited to attend Lock Haven University's announcement of a new Cultural Heritage Management Program at its Business School. Chair Parks stated that he is very excited about this program and sees it as very important because this initiative can assist with entrepreneurship opportunities for cultural organizations.

Chair Park reported that a company from France that creates historical interpretations on a massive scale is also invited to this announcement. He stated that this company has been invited to look at Lycoming County to set up a permanent facility to do historical interpretations and that this could be a huge tourism magnet for the Pennsylvania Wilds region.

Chair Parks shared a project and report that was conducted by a valuation company, ProSocial, for ArtsQuest. The purpose of the project was to use ArtsQuest as their experiment using academic tools to measure enhanced social capital from ArtsQuest events in 2018. Chair Parks explained that the methodology used was able to report that the social value that was created with the year-long events at ArtsQuest amounted to \$88,600,000 to the Lehigh Valley Community.

Chair Parks explained that for years, managers of non-profit arts organizations, were called to prove their organization's value by using the American for the Arts' formula for revenue generated by their activities for the community. Chair Parks stated that this is new tool, once refined, can be used to capture social capital, which means the connectivity between diverse people in the community, the public relations that you are getting out there, the ability to attract residents, and retain residents in the community. Chair Parks stated that ProSocial's tool will hopefully become readily available in the near future. Chair Parks stated that when PCA reaches out to people of influence and the legislature, there needs to be a greater understanding that the arts are not just transactional events, but the arts are also a way to bring communities together. Chair Parks added that the arts add social capital and now there is a tool to capture it.

Representative Ciresi stated that he had two things to report to Council.

Representative Ciresi asked if there is a way to obtain a report that lists how much money is spent on athletics and the arts and asked if there a way that we can go to each county and get this information.

Representative Ciresi would also like to explore the possibility of creating an arts license plate in Pennsylvania like Florida. He stated that he thinks it would be a good way to raise money and awareness and would like to start the process to get this created.

Representative Ciresi stated that he agreed with Chair Park's statement about the arts being devalued and if we truly want more money for this Council, we have to be the mouthpieces that talk about what the arts are doing. He explained that if we want the legislators to hear us, we must be strong and highlight the value of arts in communities.

Chair Parks stated that we can give the legislature the numbers of what our surrounding states allocate for the arts, per capita for their residents. He added that the only surrounding state that we surpass is West Virginia.

ITEM 9 Executive Director's Report

Karl Blischke, Executive Director

Mr. Blischke reported that collectively, PCA is moving forward with its strategic plan. Blischke explained that Council took some big steps in changing the PCA's mission, and over the last year, has created some interesting new products for communities and for creative entrepreneurs. Mr. Blischke stated that these help PCA to be seen in a different light and thinks that it is very important not to apologize for being in the arts, and that the arts are just as important as other industries.

Mr. Blischke also highlighted a few areas that Council and staff have worked on over the past quarter. He outlined the work that Judge Morgan has led as part of the Committee on Responsive Funding. Mr. Blischke added that PCA staff has been very involved in reviewing different funding models for the Council to consider, and they have been meeting twice weekly. These staff members include Seth Poppy, Amy Gabriel, Ian Rosario, Matthew Serio, Jamie Dunlap and Dana Payne. Mr. Blischke stated that this was a big effort and he wanted to thank the staff for doing their work on this initiative.

Mr. Blischke reported that Jamie Dunlap has been working extensively on getting PCA and its partners a seat at the regional Prep regions, which are facilitated through DCED. He stated that this is a collaboration of all the key

players providing community and economic development in regions throughout the state. Mr. Blischke thinks it is important for PCA to be present during these discussions and stated that Ms. Dunlap is going to be on the road introducing PCA partners to this extensive network of community and economic development professionals.

Mr. Blischke reported that with respect to marketing, Norah Johnson has been working very hard on the initiative, and Jamie Dunlap has also been involved. Blischke stated that PCA will get this initiative going soon and said that the participation of the Council members who have a deep interest in changes to the marketing program will be helpful in what the product ultimately will look like.

Mr. Blischke reminded the Council members about a survey that Norah Johnson prepared regarding their other affiliations in the arts community. Mr. Blischke thanked the Council members who have already completed the survey and stated that a survey monkey link will be sent to those who have not yet completed the survey. Mr. Blischke stressed the importance of the survey and explained that its purpose is to gather this information to show our value because Council members are uniquely positioned in their communities through affiliations, through service on boards, and through the meetings they attend to represent the arts and this agency in a very powerful way.

Finally, Mr. Blischke spoke about the great opportunities being developed for PCA to look at the power of artists and entrepreneurs through products that are being introduced as well as opportunities through tools that are being developed through the marketing initiative. He stated that PCA staff is also working on ways of using existing resources and programs in order to help advance the careers of artists as they are working as entrepreneurs. He feels that this will be a powerful piece that has immediate impact and benefits for communities and citizens in those communities.

Mr. Blischke thanked all Council members for attending the meeting and stated that he looks forward to their participation on the December 13 committee call and the March 12, 2020 meeting.

Meeting was adjourned.