



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Eleanor Hollander, Economic Development Manager
Subject: Contract: Cultural Planning Group, LLC for a Plan for a Resilient Arts & Culture Sector in Berkeley

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Cultural Planning Group, LLC for an amount not to exceed \$149,980 for the development of a comprehensive plan to support and maintain a *Resilient Arts & Culture Sector in Berkeley*. The term of the contract will be 18 months.

FISCAL IMPACTS OF RECOMMENDATION

The \$149,980 contract will be funded by the General Fund (011) with resources designated for this purpose in the First Amendment to the FY 2025 Annual Appropriations Ordinance approved by Ordinance No. 7,940-N.S. (November 19, 2024). Funds for this contract are budgeted in code 011-21-208-252-0000-000-446-612990.

CURRENT SITUATION AND ITS EFFECTS

Cultural Planning Group, LLC was selected through a competitive Request for Proposals (RFP) process to “develop a multi-year comprehensive plan to support and maintain a resilient arts and culture sector in Berkeley” (Specification Number 25-11701-C). The selected consultant has demonstrated a record of success in providing informed financial strategic planning services, engaging diverse groups of stakeholders, and creating accessible reports for organizations and municipalities. The contract scope of work includes the following four deliverables:

1. Devise Project plan, complete stakeholder engagement, and craft a summary of past City of Berkeley arts-related policies and investments, documenting existing conditions.
2. Analyze City policies and existing arts funding; place this work in the context of national benchmarking and a survey of best practices; and develop a financial report and analysis of the current conditions in Berkeley’s nonprofit arts and cultural sector.
3. Model financial and policy options to bolster the future financial health of Berkeley’s arts and cultural sector, including proposed funding pathway for the

development of a community arts center at the Veterans Building, and analysis of ballot measure options in support of the arts and culture in Berkeley.

4. Deliver final report and presentation: including a comprehensive five-year strategic financial plan for enhancing resiliency in Berkeley's art & culture sector(s).

BACKGROUND

The City of Berkeley is home to over 150 active arts and culture nonprofits offering a diverse array of theater, music, festivals, dance, visual arts, arts education and more. The City of Berkeley has long recognized the importance of arts and culture to the economic health, vitality, and diversity of Berkeley's local economy and its commercial districts. Local arts and cultural organizations generate revenue, create jobs, and generally improve the quality of life in Berkeley, which in turn generates businesses revenue and tourism to Berkeley.

However, the COVID-19 pandemic and its aftermath has had a significant impact on the arts ecosystem in Berkeley, and many of Berkeley's existing arts organizations are in fiscal crisis, reflecting a national trend. Berkeley's arts and culture sector continues to experience lower audience levels, and increased costs with many nonprofits operating at a loss and facing a difficult road to recovery. Additional challenges to the sector include factors such as: inflation impacting costs for labor, materials, and talent.

Current Status of Berkeley's Arts Sector Funding & 2024 Budget Referral

Since October 2019, six local arts organizations have come to the City Council outside of the robust Civic Arts Grant program (total annual program investment, \$700,000) to ask for an additional \$850,000 (total) in one-time relief funds from the city's General Fund. The one-time funding initiatives have been an effective way to rescue and stabilize a few organizations temporarily, but they do not address the financial challenges of the sector in an equitable, nor sustainable manner.

Performing Arts companies are rarely able to support the costs of production solely with box office receipts. They must attract both audiences and contributions to stay afloat. As theatres face post-pandemic declines in audience attendance, increased labor and material costs, and a shift in major funders' priorities away from the arts, many companies have shuttered. New strategies combined with new partnerships and collaborations are necessary, but it's not yet clear that there is only one path forward with a set of community cultural organizations as diverse as ours here in Berkeley.

To this end, on November 12, 2004, Vice Mayor Wengraf introduced a *Referral to the November 2024 AAO1 Budget Process for \$150,000 to Create a Five-Year Sustainable and Comprehensive Recovery Plan for the Arts and Culture Sector in Berkeley*. The legislation calls for the city to engage a consultant to develop a multi-year comprehensive road map to support, maintain and sustain a resilient Arts and Culture

sector in Berkeley. The results of this plan will also be critical to guiding and informing discussion and consideration of a ballot measure in support of the Arts in 2026.

Goal of Project

The forthcoming plan will re-examine the City’s role in keeping our arts organizations healthy in a sustainable and predictable manner, including strategies to support the operation and maintenance of our arts and culture sector. By focusing and investing in creating a comprehensive five-year plan that will address both short-term and longer-term challenges to the sector, the City can support our local arts and cultural organizations in an organized and cost-effective manner.

Through this contract, the City of Berkeley will engage a consultant to develop a multi-year comprehensive plan to support and maintain a resilient arts and culture sector in Berkeley. The development of the plan will involve deep engagement with Berkeley’s arts stakeholders, policy makers and leaders, and focus on both innovative and proven strategies, as well as transparent and sustainable techniques for recovery for Berkeley’s arts and culture organizations. The plan will explore and devise a range of financial strategies, partnerships, and collaborations to address both short-term and longer-term challenges, as well as identify threats and opportunities to the sector. The results of this plan will be critical to guiding and informing the City of Berkeley’s future artistic and cultural investments and will result in a program design for sustainable artistic and cultural support over the years to come.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Cultural Planning Group, LLC possesses demonstrated expertise centered on a range of strategic planning efforts within the arts and culture sector including development of numerous creative economy plans, arts funding research, financial and policy analysis, and presenting data in an engaging and accessible manner. The City received and evaluated eight proposals in response to RFP Specification No. 25-11701-C which was posted on January 27, 2025. After proposal review, team interviews of the top five scoring proposals, and reference checks for the top two scoring proposals post-interview, Cultural Planning Group, LLC proposal received the highest score.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Jennifer Lovvorn, Office of Economic Development, (510) 981-7533

Attachment:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: CULTURAL PLANNING GROUP, LLC FOR A COMPREHENSIVE *PLAN FOR A RESILIENT ARTS AND CULTURE SECTOR IN BERKELEY*

WHEREAS, the City of Berkeley has long recognized the importance of the arts and culture to the economic health, vitality, and diversity of Berkeley's local economy and its commercial districts; and

WHEREAS, Berkeley's arts and culture sector continues to experience lower audience levels, and increased costs in the aftermath of the pandemic, with some nonprofits operating at a loss; and

WHEREAS, on November 12, 2024, a *Referral to the November 2024 AAO1 Budget Process for \$150,000 to Create a Five-Year Sustainable and Comprehensive Recovery Plan for the Arts and Culture Sector in Berkeley* calls for the city to engage a consultant to develop a multi-year comprehensive road map to support, maintain and sustain a resilient Arts and Culture sector in Berkeley; and

WHEREAS, the funds for this contract are budgeted in code 011-21-208-252-0000-000-446-612990 and were designated in the First Amendment to the FY 2025 Annual Appropriations Ordinance approved by Ordinance No. 7,940-N.S. (November 19, 2024); and

WHEREAS, the results of this comprehensive plan will be critical to guiding and informing Berkeley's investments and program design for artistic and cultural support over the years to come; and

WHEREAS, the City released an RFP under Specification No. 25-11701-C for which eight proposals were received, evaluated and scored, resulting in the selection of Cultural Planning Group, LLC to develop a multi-year plan for a resilient arts and culture sector in Berkeley.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract and any amendments thereto with Cultural Planning Group, LLC for the development of a comprehensive plan to *support and maintain a resilient arts and culture sector in Berkeley*, in an amount not to exceed \$149,980, for a term of 18 months. A record signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.