

2020 Cultural STAR Program – General Operating Fund

Program Guidelines

Program Overview

Provide emergency assistance for nonprofit arts and cultural organizations in the City of Saint Paul that are impacted by the Governor’s Emergency Executive Orders in response to the COVID-19 outbreak.

IMPORTANT NOTES:

- This program is a one-time emergency relief program and does not reflect a permanent change in Cultural STAR funding. This program is a one-time response to the impacts of COVID-19.
- Other funding programs of the Cultural STAR program have been canceled in both rounds for the year 2020 (i.e. Round 1, Round 2, Special Projects, Organizational Development, Capital Projects)

Program Goals

Support Saint Paul’s non-profit arts and cultural organizations to maintain their financial sustainability and long-term viability. These local grants are designed to provide flexible funding to Saint Paul’s arts and cultural organizations.

Eligibility

To be eligible for the General Operating Fund grant arts and/or cultural organization must meet **all** of the following criteria:

- Be located within the City of Saint Paul (see definition below in “Definitions” section)
- Have tax-exempt non-profit 501(c)(3) status as determined by the IRS, and an EIN registered as tax-exempt by the IRS.
- Be a legal entity registered with the Minnesota Secretary of State.
- Have a primary purpose that is arts or culture in nature, or a major initiative, program or project that is arts-based in nature. (see definition below in “Definitions” section)
- Must be able to provide a narrative of how COVID has impacted the organization and how they would use the grant funds

The following entities are **not** eligible for this grant program:

- Organizations not located in the City of Saint Paul.
- Organizations with an annual operating budget of \$5 million or more.
- For-profit businesses.
- Business associations.

- Saint Paul District Councils.
- Organizations whose main purpose is to raise funds for another person, organization or cause.
- Unincorporated groups that use a fiscal sponsor.
- Community development organizations that do not have a major initiative, program or project that is arts-based in nature. (see definition below in “Definitions” section)
- Social service organizations that do not have a major initiative, program or project that is arts-based in nature. (see definition below in “Definitions” section)
- Churches or religious organizations.
- Political parties and related political action groups.
- Federal, state, and county agencies and departments.

Funding

Minimum grant amount: \$5,000. No match required.

Grant amounts will be determined by the number of eligible applicants, and by geographic focus, as explained below in “Distribution of Funds” section.

Geographic Focus

As required by the STAR Law, at least 80 percent of Cultural STAR funds will be awarded to nonprofit arts organizations that are located within the targeted area known as the Cultural District of downtown Saint Paul.

The Cultural District is defined as the geographic area bordered by Interstate 94 to the north, the Lafayette Bridge to the east, Harriet and Raspberry Islands to the south, and Chestnut Road to the west.

For an organization to be designated as located in the Cultural District, at least one of the following must apply:

- The organization’s address registered with the IRS for tax-exempt status (i.e. EIN) and/or Minnesota Secretary of State falls within the Cultural District; and/or
- The organization owns or leases property in the Cultural District for purposes related to its mission; and/or
- The organization has been awarded a Cultural STAR grant designated as a Cultural District investment between 2015 and 2019 (staff can be contacted to verify).

Total dollars estimated for this program

In Cultural District	\$733,000
Other Funds	\$264,000

Note: This program is funded by a half-cent sales tax charged in the City of Saint Paul. Funds available are determined by sales tax revenue earned in calendar year 2020, and may be lower

than expected due to the economic impacts of the pandemic. Projected reductions have already been taken into account in determining this estimated funding availability, however, the projections may be further reduced as the year progresses and actual sales tax figures become known.

Distribution of Funds

Saint Paul will accept applications during a three-week, open application process to begin after City Council has approved these guidelines. Staff from the City's Planning and Economic Development Department ("PED Staff") will review all applications submitted by the deadline to determine eligibility.

PED staff will review and designate each eligible applicant as either located within the Cultural District or another district.

- The Cultural District pool of funds will be equally distributed amongst all Cultural District-designated organizations. Because of the larger funding pool required to be invested in the Cultural District, and the number of arts and cultural organizations estimated to be located within the Cultural District, award amounts are expected to be greater than \$5,000.
- For all other applicants, it is expected that more applications from eligible organizations will be received than funding available. \$5,000 grants will be awarded on a randomly-selected basis. It is expected that about 53 grants will be awarded in this category, based on the estimated funding available of \$264,000 from "Other Funds" (i.e. outside the Cultural District).

If fewer eligible applications are received than funding available, the funding will be equally distributed amongst the organizations in this category.

Eligible Uses of Funds

One-time general operating fund grants for qualified non-profit arts and cultural organizations may be used for any operating and/or program expenses. These expenses may include operating funds, such as rent, mortgage payments, utilities, payroll, earned sick and safe time leave for employees, medical insurance for employees, accounts payable, or other immediate expenses. Expenses may also include program expenses, such as payments to artists, virtual program costs, marketing, or other program costs.

Grants are dependent on program guidelines and availability of funding.

Application Process

Saint Paul will accept applications for a three-week period, beginning the day after City Council approval.

To apply:

- Apply online on application portal ZoomGrants.com (https://www.zoomgrants.com/zgf/CulturalSTAR_2020-2)
- Application requirements will involve providing:
 - Basic details about the organization.
 - A narrative description of the negative impact on the organization due to COVID-19.
 - Information on the intended use of the grant funds.
 - Attachments:
 - Applicant description, including mission, structure, audiences served, board of directors, leadership/advisory team for arts initiatives, etc.
 - Form 990 or Audited Financial Statements from most recent fiscal year or most recent year available
 - Current year's organizational budget

PED staff will review applications to determine eligibility. PED staff may request additional information or documentation.

The Cultural STAR Board will vote to recommend awardees. The PED Director will have final approval.

Funding Process

If application is approved and funds are available, organizations will enter into a grant agreement, and a check for the full amount of the grant award mailed to the business address on the organization's W-9 form.

Organizations that receive funds must commit to using the funds for operating expenses, and agree to document and report specific uses of the funds, as well as the impact of the grant program, including, but not limited to, employees retained or rehired, and programming.

Definitions

For the purposes of this program, any references to these terms shall have the following meaning:

Arts and cultural organization

An arts and cultural organization is defined as an organization whose primary purpose is arts or culture in nature, and would typically be documented in the organization's mission statement. In addition, an arts and cultural organization can be defined as an organization that has a major initiative, program, or project that is arts-based in nature. Typically, this would be shown by having a specific-named program that occurs on a regular basis, having staff that support the initiative or program, having a program budget defining the work, and receiving other arts funding to support the initiative or program.

Located in Saint Paul

At least one of the following must apply to be considered as an organization located in Saint Paul:

- EIN and/or MN Secretary of State business listing indicates Saint Paul address
- Lease or ownership of space in Saint Paul
- Majority of programs/work of organization takes place in Saint Paul