



# **Proposed Quarter Cent Sales Tax**

Presented to the Mecklenburg  
Board of County Commissioners  
June 25, 2019

# Agenda

- Presentation by the Arts and Science Council
- Proposed Allocation
- Governance Models
- Discussion



# Proposed Allocation

<b>Arts &amp; Culture - General</b>	<b>\$24,500,000</b>	<b>49%</b>
<b>Education (teacher supplement)</b>	<b>\$8,000,000</b>	<b>16%</b>
<b>Arts &amp; Culture/Parks - Towns</b>	<b>\$2,500,000</b>	<b>5%</b>
Huntersville	\$781,648	
Cornelius	\$598,207	
Davidson	\$208,765	
Matthews	\$408,551	
Mint Hill	\$287,366	
Pineville	\$215,464	
<b>Parks &amp; Greenways</b>	<b>\$15,000,000</b>	<b>30%</b>
<b>Sales Tax Collected</b>	<b>\$50,000,000</b>	<b>100%</b>



# Proposed Allocation

## **Considerations**

- Stabilize the Cultural Sector
- Board Priorities
- Existing Funding Strategies
- Geographic Equity
- Polling Data
- Mitigate Risk to the County



## Development of Options

- **Cultural Sector Working Group**

Establish a County Department

Establish a new 501 (c) (3)

- **Options Further Developed**

Retain the ASC with modifications

Establish a Limited Liability Company

Establish a Supporting Organization



## **Guiding Principals**

- **Accountability**

Funds spent as intended

Minimal overhead

Maximum dispersion

- **Transparency**

Funding decisions based on sound processes

Data driven decision making

Separation between programming and grantmaking



## Guiding Principals

- Strategic Planning
  - Should set vision for arts and culture for the community
  - Should oversee execution of the vision
- Lead with Equity
  - Funding decisions should advance equity in the community
  - All residents, particularly children, should have access to cultural assets
- Be Transformational
  - Take arts and culture to the next level



## **Not Recommended**

- Create county department  
Does not meet guiding principles  
Need to create new infrastructure  
Would likely not get community support
- Create an authority  
Requires action by the General Assembly
- Create a Limited Liability Company  
Would not meet the guiding principles





# Governance

## Options to Consider

**Create a restructured ASC** – would no longer be involved in fund raising, additional county appointments to the board, may not continue grant making

**Pros:** least disruptive, existing infrastructure

**Cons:** insufficient county oversight, not transformational



# Governance

**Create a supporting organization of Foundation for the Carolinas:** organization is “tethered” to the FFTC, County would have majority board appointments, focus on grant making, strategy and public art

**Pros:** has been used successfully in the past, high level of accountability to County, ensures continued public/private partnership

**Cons:** loss of established non-profit in ASC, may not seem sufficiently independent, requires IRS approval



# Governance

**Create a new 501(c)(3)** – could assume some or all responsibilities of the ASC, separates grant making and programing, County would have majority board appointments

**Pros:** could design to meet all guiding principals, would be perceived as “fresh start”, would be independent, meets all guiding principles; would have reporting requirements to BOCC

**Cons:** loss of established non-profit in ASC, requires IRS approval



# Discussion

