



Power of culture

**MASS CULTURAL COUNCIL
EXECUTIVE COMMITTEE**

TUESDAY, MARCH 31, 2020

2:30-4:00 PM

ON-LINE MEETING

(CALL-IN INSTRUCTIONS POSTED AT
<https://massculturalcouncil.org/about/board/>
UNDER "MARCH 31, 2020 EXECUTIVE COMMITTEE MEETING")

AGENDA	VOTE
1. Re-allocation of resources to address current COVID-19 conditions (including the following two new programs and modification of other programs)	X
a. Safe Harbors and Soft Landings- A COVID-19 Emergency Initiative for Cultural Organizations.	
b. COVID-19 Relief Fund for Artists and Cultural Educators	
2. Approval of Agenda for April 7, 2020 Council Meeting (Rescheduled date for cancelled March 13, 2020 meeting)	X

**MASS CULTURAL COUNCIL
EXECUTIVE COMMITTEE**

TUESDAY, MARCH 31, 2020: 2:30-4:00 PM

ON LINE MEETING

RESOLUTIONS

Reallocation of Resources

WHEREAS, the Council approved a FY20 Spending Plan for the Council's operations which contained approval of several different grant and service programs and related activities; and

WHEREAS, due the COVID-19 crisis, staff has proposed to amend said approval to reallocate \$225,000 of the funds approved as part of said Spending Plan toward funding a newly-designed COVID-19 Relief Fund for Artists and Cultural Educators as described in memoranda presented to the Executive Committee at its March 31, 2020 meeting; and

WHEREAS, Chapter 23K of the Massachusetts General Laws, as most recently amended by sections 3 and 4 of Chapter 142 of the Acts of 2019, provides that Mass Cultural Council will receive 2% of the Commonwealth's gross gaming tax revenue from casinos into the Massachusetts Cultural and Performing Arts Mitigation Trust Fund (the "Fund") to be managed by Mass Cultural Council; and

WHEREAS, staff of Mass Cultural Council had presented a plan (the "Plan") for usage of Fund revenues by memoranda to the Council on January 28, 2020 which Plan was reviewed and approved by the Council; and

WHEREAS, due the COVID-19 crisis, staff has proposed to amend said Plan to make use of all of the monies currently in the Fund so as to increase the amount of funds available to the Gaming Mitigation Program in 2020, deploy the resources of the Fund on a more accelerated basis to, among other things, fund a COVID-19 Emergency Initiative for Cultural

Organizations to be called "Safe Harbors and Soft Landings" in the amount \$990,000 and also to allocate \$120,000 to the CultureRx Social Prescription Pilot; and

WHEREAS, immediately following the Executive Committee meeting, staff will be presenting the details of the new COVID-19 response programs discussed above for their review and approval;

NOW THEREFORE, it is hereby

RESOLVED: that the Executive Committee recommends that the Council approve the re-allocation of resources and amendment of the Plan presented to the Executive Committee at its March 31, 2020 Meeting provided that the COVID-19 response programs discussed therein have been reviewed and recommended to the Council by the Grants Committee.

Agenda of April 7 Council Meeting

RESOLVED: that the Executive Committee approve the draft April 7, 2020 Mass Cultural Council Agenda presented to the Executive Committee at its March 31, 2020 Meeting.

OPEN MEETING LAW STATEMENT

Please note that this meeting is an open meeting of a public body subject to the Massachusetts Open Meeting Law. A notice of this meeting together with the agenda was posted on Mass Cultural Council's website 48 or more hours ago (excluding weekends and holidays).

This meeting shall be open and accessible to all members of the public except at such times when this body has voted to go into closed executive session under the Open Meeting Law.

Please note that this body has invited staff of Mass Cultural Council to be present at the meeting.

Mass Cultural Council welcomes members of the public to attend its public meetings. Under the Open Meeting Law, however, this is not a public hearing and public testimony will not be taken. Individuals may not address the meeting without permission of the Chair.

Any member of the public may record this meeting provided that they first notify the Chair and must not interfere with the meeting. The Chair will then inform the members of the meeting that they are being recorded.

This meeting is a virtual meeting held under the Open Meeting Law as modified by the Governor's recent emergency declaration. Only Committee members, Council members and invited staff will be able to address the meeting. All other persons will be muted.

Draft minutes of the open session of this meeting shall be kept and shall be posted on Mass Cultural Council's website no later than 30 days after the meeting provided that

such minutes shall not be considered official until they have been approved by this body in open session. Individuals asserting a violation of the Open Meeting Law may file a complaint with this body within 30 days or with the Attorney General's office thereafter.

To: Mass Cultural Council Executive Committee
From: Anita Walker, David Slatery
Date: March 31, 2020
Re: COVID-19 Response-Repurposed Funds

In reaction to the current COVID-19 crisis and necessary public health response, Mass Cultural Council staff has developed two new programs and modifications to existing programs to respond to the devastating impact this has had on cultural organizations and individual artists and cultural educators. These programs are described on the attached memos and are also being submitted to the Grants Committee. These actions require the immediate repurposing of the Council's existing financial resources from previous approvals.

We are requesting the following actions to be recommended by the Executive Committee to the full Council.

1. Reallocate \$225,000 from items approved by the Council in August 2019 as part of the FY21 Spending Plan toward funding a COVID-19 Relief Fund for Artists and Cultural Educators.
2. Amend the approval voted by the Council at the January meeting on the use casino tax revenues in the Massachusetts Cultural and Performing Arts Mitigation Fund under M.G.L. Chapter 23K to
 - a. Make use of all monies collected through February 29, 2020 to fund the Gaming Mitigation Program in 2020 (Previously the Council had voted only to use what was collected through the end of 2019 for grants in 2020 and to let 2020 collections fund activities in 2021.) Given the nature of the crisis, staff is recommending using all funds available now. Also, in order to get the grant funds into the hands of grantees quickly, staff is requesting the ability to provide the Gaming Mitigation Program grants within two weeks after the deadline for responses on April 17 without the need to come back to Grants Committee and the Council to vote on the final list.

- b. Repurpose the majority of funds previously recommended for approval by the Executive and Grants Committee on March 3 for the CultureRx Social Prescription Pilot Program (and also to make use of the funds collected through February 29) to fund a COVID-19 Emergency Initiative for Cultural Organizations to be called "Safe Harbors and Soft Landings." Approximately \$990,000 is requested to be made available for the new program while retaining \$120,000 to fund certain parts of the CultureRx Social Prescription Pilot.

These changes are described in further detail below.

COVID-19 Relief Fund for Artists and Cultural Educators. This new program will consist of 225 emergency grants to individual artists and cultural educators throughout the Commonwealth who have lost their livelihood in the past weeks as the COVID-19 crisis has unfolded. To fund this program, we request taking \$119,000 from the following previously approved grants

- a. \$49,500 from the upcoming Round 2 of the artist fellowship program awards which are to be presented to the May Board meeting. We would award 3 fewer fellowships and finalist awards. NOTE- these were additional awards made possible by the FY 20 budget increase.
- b. \$5,000 from the Cultural District Grant program- we will defer approving any additional districts until next year.
- c. \$30,000 in Cultural Compact grants which we will defer to next year.
- d. \$4,500 in Big Yellow School Bus and STARS grants which were not made yet or reverted by the grantees.
- e. \$15,000 in teaching artist grants not yet made in the so-called "expanded META" program.
- f. \$15,000 from the preliminary social prescription pilot program in Pittsfield and Springfield which will not be used due to the fact that cultural organizations are currently closed.

Additionally, we request that \$106,000 be reallocated from various spring convenings and consultant contracts that will now not occur.

We are requesting that the Executive Committee recommend the Council vote to approve re-allocating these \$225,000 in funds to the Relief Fund.

Gaming Mitigation Program. In January the Council voted to allocate \$2,582,431.41 to the program. Since then additional casino tax revenues

in excess of \$1 million have been collected with more than \$750,000 in additional being available under the statutory formula for this program. Therefore, we request the Executive recommend the Council approve the amount of **\$3,339,656.24** be made available for the Gaming Mitigation Program in 2020.

Safe Harbors and Soft Landings/CultureRx Social Prescription Pilot Program.

At the March 3 meeting, the Executive and Grants Committees voted to recommend allocating \$860,810.47 to the CultureRx Social Prescription Pilot as the "organizational support" program under Chapter 23K. Since then, the COVID-19 crisis has erupted and \$252,000 from the 2020 collections into the fund is available for this purpose. Staff is requesting this prior recommendation be amended to only provide \$120,000 to the Social Prescription Pilot and to provide the remainder of the funds (\$990,000) to the Safe Harbors and Soft Landings program. These programs are both described in the accompanying memos.

The Council may use 7% of the Chapter 23K funds annually for administering and operating the program which has been accounted for in the numbers above and we are setting aside approximately \$335,000 for this purpose.

It is important to note that since the Commonwealth's two casinos stopped operating in early March, there will be no further casino tax revenues collected into the Fund until they reopen. Any further revenues contributed to the Fund from this point forward will accumulate until December 31, 2020 (including any interest earned on the Fund which is contemplated by the statute) at which point it will be divided as the Council originally voted in January.

We have been in touch with the Joint Committee on Tourism, Arts and Cultural Development and the House and Senate Ways & Means Committees to inform them of our proposed actions and will update our previously filed legislative reports once these changes have been reviewed and approved by the Council

A draft resolution has been included with the Committee materials which staff requests the Committee to adopt.

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We are requesting the following actions to be recommended by the Executive Committee to the full Council. **Please that all of these requested actions are directly related to the need to respond quickly to the COVID emergency and represent one-time changes to previously approved FY20 programs. The changes proposed today shall only apply specifically to the current fiscal year to meet the challenges caused by the COVID-19 emergency.**

1. Reallocate \$225,000 from items approved by the Council in August 2019 as part of the FY21 Spending Plan toward funding a COVID-19 Relief Fund for Artists and Cultural Educators.
2. Amend the approval voted by the Council at the January meeting on the use casino tax revenues in the Massachusetts Cultural and Performing Arts Mitigation Fund under M.G.L. Chapter 23K (the "Fund") to
 - a. Make use of all monies collected through February 29, 2020 to fund the Gaming Mitigation Program in 2020 (Previously the Council had voted only to use what was collected through the end of 2019 for grants in 2020 and to let 2020 collections fund activities in 2021.) Given the nature of the crisis, staff is recommending using all funds available now. Also, in order to get the grant funds into the hands of grantees quickly, staff is

requesting the ability to provide the Gaming Mitigation Program grants within two weeks after the deadline for responses on April 17 without the need to come back to Grants Committee and the Council to vote on the final list. **As noted in the accompanying memoranda, upon arriving at a final funding, staff shall notify the Grants Committee and Council and provide said list prior to notifying the grantees. This has been proposed so as to speed the grant funds to organizations currently impacted by the emergency and in future years when there is less need of haste, grants would be subject to regular review and approval procedures.**

- b. Repurpose the majority of funds previously recommended for approval by the Executive and Grants Committee on March 3 for the CultureRx Social Prescription Pilot Program (and also to make use of the funds collected through February 29) to fund a COVID-19 Emergency Initiative for Cultural Organizations to be called "Safe Harbors and Soft Landings." Approximately \$990,000 is requested to be made available for the new program while retaining \$120,000 to fund certain parts of the CultureRx Social Prescription Pilot.

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We are requesting that the Executive Committee recommend the Council vote to approve re-allocating these \$225,000 in funds to the Relief Fund.

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Safe Harbors and Soft Landings/CultureRx Social Prescription Pilot Program. At the March 3 meeting, the Executive and Grants Committees voted to recommend allocating \$860,810.47 to the CultureRx Social Prescription Pilot as the “organizational support” program under Chapter 23K. Since then, the COVID-19 crisis has erupted and \$252,000 from the 2020 collections into the fund is available for this purpose. Staff is requesting this prior recommendation be amended to only provide \$120,000 to the Social Prescription Pilot and to provide the remainder of the funds (\$990,000) to the Safe Harbors and Soft Landings program. These programs are both described in the accompanying memos.

Since the first casino opened in summer of 2018, a total of \$4,788,038 has been collected from casino tax revenues into the Fund. Under Chapter 23K, the Council is entitled use up to 7% of said revenues in any fiscal year for the costs of operating and administering the Fund and the programs associated with it (the Gaming Mitigation Program, the Social Prescription Pilot and the new proposed Safe Harbors, Soft Landings program). In January, the Council voted to set aside **\$259,169** (which is 7% of the amount collected through the end of 2019) for said costs in calendar 2020. Since the beginning of 2020, an additional \$1,085,627 has been deposited into the Fund through February 29 meaning that an additional **\$75,994** has been added to the amount available for expenses so that as of today just over **\$335,000** is available for this purpose **in total**. To the extent such amount is not used in 2020, it will be available (along with 7% of any future amounts deposited into the Fund) for use in future years.

It is important to note that since the Commonwealth’s two casinos stopped operating in early March, there will be no further casino tax revenues collected into the Fund until they reopen. Any further revenues

contributed to the Fund from this point forward will accumulate until December 31, 2020 (including any interest earned on the Fund which is contemplated by the statute) at which point it will be divided as the Council originally voted in January.

We have been in touch with the Joint Committee on Tourism, Arts and Cultural Development and the House and Senate Ways & Means Committees to inform them of our proposed actions and will update our previously filed legislative reports once these changes have been reviewed and approved by the Council

A draft resolution has been included with the Committee materials which staff requests the Committee to adopt.



Power of culture

To: Mass Cultural Council Executive and Grants Committee
From: Anita Walker, Dave Slatery, Jen Lawless
Date: March 31, 2020
Re: COVID-19 Relief Fund for Artists and Cultural Educators

Attached for review and recommendation, attached please find a copy of guidelines developed by staff to implement this program designed to benefit individual artists & independent teaching artists/humanists/scientists

Please note that staff would retain the ability to modify the guidelines consistent with the parameters described in this memo which is the same way guidelines are treated in each of the other Mass Cultural Council grant programs.

We request the Committees approve the program described on the attached pursuant to the resolutions presented to the meetings.

GUIDELINES

COVID-19 Relief Fund: For Individual Artists & Independent Teaching Artists/Humanists/Scientists

Events of all types have been cancelled across Massachusetts to reduce the spread of Coronavirus 2019 (COVID-19). As a result, individuals who earn income partially or entirely through their work within the cultural sector are losing critical opportunities to support their well-being in the Commonwealth.

In response, Mass Cultural Council established the COVID-19 Relief Fund to support individual artists and independent teaching artists/humanists/scientists living in Massachusetts whose creative practices and incomes are adversely impacted by Coronavirus 2019 (COVID-19.)

Through Mass Cultural Council's COVID-19 Relief Fund, grants of \$1,000 are available to individuals who are independent contractors, freelancers, gig workers, and self-employed or sole proprietors who have lost income derived from their work as individual artists and independent teaching artists/humanists/scientists as a direct result of COVID-19 related cancellations and closures in Massachusetts.

Eligibility

You may apply for Mass Cultural Council COVID-19 Relief funding if you are:

1. An individual artist working in any artistic discipline. Artist here is defined broadly to include, but is not limited to artists such as musicians, theatre artists (including those that work on sound, lighting, and costume design), photographers, puppeteers, crafts artists, painters, poets and authors, vocalists, folk and traditional artists, dancers, etc.

OR

2. An individual teaching artist, humanist, or scientist who promotes education in the arts, humanities, or interpretive sciences to people of any age, who typically works in schools or other educational settings.

AND you meet all four of the following requirements:

- You are 18 years or older.
- You are a legal resident of Massachusetts. We define "legal resident" as someone who meets the definition of a "full-year resident" in the Massachusetts tax code. [Visit the Mass Department of Revenue web site to learn more.](#)

- You have reported taxable income related to earnings working as an individual artist and/or as an individual teaching artist, humanist, scientist in your most recent tax return.
- The income you reported earning as an individual artist and/or as an individual teaching artist, humanist, scientist in your most recent tax return represented more than 25% of your total income from all sources.
- You can demonstrate at least \$1,000 of lost income directly related to COVID-19 that is not eligible to be recouped through [Massachusetts unemployment benefits](#). This could include lost revenue due to:
 - Canceled jobs/gigs, classes, performances, exhibitions, shows, residencies, etc.
 - Organizational closures and/or suspended operations
 - Lost sales, commissions, vendor fees from cancelled markets, events, exhibitions, etc.

Applicants may submit one application and will only be awarded one grant during this current FY20 grant opportunity.

Use of Funds

The use of grant funds is unrestricted. The grant is meant to recoup financial losses demonstrated in the application.

Grant Awards, Distribution, and Review

The Mass Cultural Council will award up to 225 \$1,000 grants.

To ensure geographic diversity, grants will be awarded by region proportional to the region's application demand. The regions are as follows:

- Greater Boston
- Central
- Metrowest
- Northeast
- Southeast
- Western

For example, if applications from the Southeast region make up 15% of the total applications received, the Southeast region will be allocated roughly 15% of the grants made.

Within each region, awards will be made to eligible applicants in the order the applications are submitted until all the available funds are awarded.

Grant Payment

In order to receive a grant, grantees must complete the following documentation, and print, sign, and return originals by mail to Mass Cultural Council:

- One-page State Contract
- Electronic Funds Transfer form
- W-9

All the necessary documents will be emailed directly to grantees to complete. Grantees that do not have a bank account that the funds can be transferred to, can notify the Contract Officer at the time of award notification in order to request a mailed check.

Please be aware, grants may be considered taxable income and individuals should seek guidance from their tax professionals/accountants about tax and reporting requirements.

Electronic deposits will be made to the grantee's account (or a check will be mailed) 20 to 45 days after the grantee returns their contract. The Mass Cultural Council will make every effort to expedite payments as quickly as possible.

Requirements

Grantees do not have any formal reporting requirements. In order to continue our advocacy efforts, we will send optional surveys to grantees over time to help tell the story of impact that COVID-19 has had on the cultural sector.

Timeline

March 31: Grant Committee Review – if vote to recommend to board for approval, then:

April 1: Guidelines up on website and messaging/outreach starts to field

April 7: Council votes to approve program

April 8: Application opens

April 22: Deadline to apply

April 27: Awards finalized; email notifications sent

May 4: Contracts sent out



Power of culture

To: Mass Cultural Council Executive and Grants Committee
From: Anita Walker, Dave Slatery, Jen Lawless, Sara Glidden
Date: March 31, 2020
Re: Safe Harbors, Soft Landings-a COVID-19 Emergency Initiative for Cultural Organizations.

Attached for review and recommendation, attached please find of this program this program designed to benefit cultural organizations in the midst of the COVID-19 crisis.

We have proposed to the Executive Committee, that the Council re-allocate approximately \$990,000 of the funds dedicated to "organizational support" currently in the Massachusetts Cultural and Performing Arts Mitigation Fund under M.G.L. Chapter 23K (the Massachusetts Gaming Law). Up to \$240,000 would be dedicated to parts 1 and 2 (Instructional Webinars and Individual Coaching Services) as described on the attachment and just over \$750,000 would be available to provide supplemental \$2250 grants to 335 current grantee organizations

We request the Committees approve the program described on the attached pursuant to the resolutions presented to the meetings.

Safe Harbors, Soft Landings Program Proposal

A COVID-19 Emergency Initiative for Cultural Organizations.

The impact of the COVID-19 crisis on cultural organizations within the Council's Cultural Investment Portfolio (CIP) and their employees has been enormous. While the financial resources that Mass Cultural Council currently has available are insufficient to address that financial need, we know that there is also enormous need for current and accurate information, particularly about how organizations can benefit from the recently passed federal stimulus legislation called the CARES Act, as well as a need for guidance and sound financial advice. We have previously selected the Nonprofit Finance Fund to provide financial assistance and counseling as part of the Council's Capacity Accelerator Network (CAN)- a program designed to address the needs of financially fragile organizations. Staff seeks to expand on the expertise and familiarity with the CIP organizations

Our proposal: **Safe Harbors, Soft Landings Program**, is a package of responses, including in-depth educational programs, a variety of consulting options, and a supplement to our unrestricted operating support grants.

Goals

1. Provide technical assistance for the Massachusetts cultural nonprofit sector on taking advantage of the new CARES Act benefits, including how to complete competitive applications for SBA Paycheck Protection Program Loans.
2. Provide a combination of financial support and technical assistance to Cultural Investment Portfolio organizations to provide a safe harbor and to understand the difficult decisions that might be necessary in the wake of COVID-19 pandemic.

Proposed Three-Part Strategy

Component	Audience	Purpose	Scope
CARES Act Webinar Instructional Series	Massachusetts Cultural Nonprofit Sector: available to all organizations, not just grantees	Help organizations understand the CARES Act and benefits, including SBA loan process, organizational readiness (including cash flow, financial storytelling, etc.), equity in applying for capital, and difficult decisions (and more based on NFF proposal)	Four separate series of 4 webinars each. Each series targeted to differing types of organizations (by budget size and financial complexity), Serving up to 2,000 organizations.

NFF Coaching Services	All Portfolio and Gateway grantees with 501c3 status	Hands on approach to support organizations in crafting competitive applications for SBA lending, understanding their safe harbor and soft landing options. Priority will be given to financially fragile organizations that are part of the Council's CAN program.	500 hours maximum (prep and deliverables)
CIP Supplemental Stipends	All Portfolio and Gateway grantees (335 organizations)	Supplemental unrestricted operating support in a flat amount of \$2250.	

Part 1: CARES Act Webinar Instructional Series

Problem: Organizations need help in understanding and taking advantage of new support measures in the CARES Act. They also need immediate assistance in analyzing and projecting financial implications of suspended operations.

Solution: Wide access to technical assistance webinars that educates organizations on the CARES Act and benefits, the SBA loan process, organizational readiness (including cash flow, financial storytelling, etc.), equity in applying for capital, and difficult decisions that might be necessary (and additional concerns based on NFF proposal). Note that these webinars would be available to all Massachusetts Cultural Nonprofits whether or not they are current CIP grantees

Process:

- Four individual webinar series, each consisting of four, 60-90-minute sessions, designed and hosted by Sandi McKinley and NFF team.
- Webinars are organized and designed by audience. Factors considered in designing the webinar cohorts: Organization budget size; W-2 or 1099 staff; facility ownership; experience in underwriting/financing; financial viability pre-March 1, including current debt.
- Each webinar series is open to a maximum of 500 organizations: 2,000 organizations total, and each webinar series will be recorded for social media channels.

Part 2: NFF Coaching Services

Problem: Grantee organizations need small group, or one-on-one assistance in completing competitive applications for SBA loans, including telling their financial story.

Solution: A variety of coaching formats, working directly with consultant teams at the Nonprofit Finance Fund, to help Portfolio and Gateway organizations understand which CARES Act benefits are appropriate to them, and how to complete SBA applications.

Process: CIP team to design intake survey, and work with NFF to determine appropriate level and format of consulting.

- **Small Group Coaching:** grantees with minimal financial complexity, generally good financial health, which need assistance in short term planning, and completing SBA forms and applications.
- **Traditional Coaching:** Financially sophisticated organizations which simply need guidance on navigating the unfamiliar SBA process.
- **Full-Service Coaching:** Organizations needing complex financial analysis of current financial situation, including the possibility of difficult decisions to be made.
- **Priority:** To be provided to those organizations previously identified as financially fragile under the Council's Capacity Accelerator Network (CAN)

Part 3: CIP Supplemental Stipends

Problem: All Grantee organizations need additional cash to respond to immediate need.

Solution: Provide supplemental unrestricted operating support grants.

Process: Using repurposed "organizational support funds" made available from the Massachusetts Gaming Act, which totals approximately \$750,000, distribute grants of \$2250 as supplemental operating support to Portfolio and Gateway organizations. We recognize that this amount is small, and will not make a strategic difference to grantees, but we believe that there is a positive message that is sent by Mass Cultural Council providing additional financial support to all of our grantee organizations. Many of our smallest grantee organizations will not be able to benefit from the provisions of the CARES ACT. For those organizations, even a \$2250 grant will be useful, and the message that we see them as important partners in the cultural sector will be meaningful.

Overview of CARES Act benefits for nonprofits:

- Paycheck Protection Program Loans
- Economic Injury Disaster Loans (EIDL)
- Charitable Giving Incentive
- Employee Retention Payroll Tax Credit
- Delayed Payment of Payroll Taxes
- Economic Stabilization Fund
- Expanded Unemployment Insurance
- Paid Leave Mandates

To: Mass Cultural Council Executive and Grants Committee
From: Anita Walker, Dave Slatery, Jen Lawless, Erik Holmgren
Date: March 31, 2020
Re: Social Prescription Pilot Program COVID-19 Update

Since the last memo on the Social Prescription Pilot Program, March 3, 2020, COVID-19 has had a tremendous impact on our sector. Since that memo we have heard from more than 500 organizations through surveys, zoom chats and email, and each and every one is being affected in different ways by the current environment. As it directly relates to the Social Prescription Expression of Interest, we have heard from organizations that are ready and able to think ahead and do programmatic planning and we have heard from organizations who are in no position to plan for the future as the present circumstances threaten their sustainability.

With this in mind, the we are proposing that we accept applications on a rolling basis through May 31. We feel this will enable organizations to better engage in visioning their work in this changed world and it will allow for us to update expectations for the timeline of the funding and work within the grant program when the environment is more stable. Following the May 31 deadline, we anticipate growing the program incrementally from the 8 organizations that are currently involved in the pilot to approximately 12 total organizations using the same process outlined in the previous memoranda to the Council. Given the current conditions, we are proposing only reserving \$120,000 of the Chapter 23K funds (originally, we had proposed spending \$860,810 for the program in 2020) for the purposes of growing what is an exciting and essential stream of work.

To: Mass Cultural Council Executive and Grants Committee
From: Anita Walker, Dave Slatery, Jen Lawless, Sara Glidden
Date: March 31, 2020
Re: Gaming Mitigation Program.

Staff has requested all of the funds available for the Gaming Mitigation program (including amounts collected through February 29) be deployed in the current grant cycle raising the size of the pool from \$2.59 million to \$3.34 million.

Also, in order to get the grant funds into the hands of grantees quickly, staff is requesting the ability to provide the Gaming Mitigation Program grants within two weeks after the deadline for responses on April 17 without the need to come back to Grants Committee and the Council to vote on the final list. Grant amounts are proposed to be determined by staff as follows:

The maximum grant amount and the minimum grant size needed to qualify for funding will be determined by the Executive Director with input from staff after the applications are all submitted. Any caps or minimums that are set will be determined depending on the amount of funding available, the number of applicants to the pool, and the need to target funding to those most directly impacted by the operation of resort style casinos. Because this is the first time the Council will run the formula, we need the application data in hand to make these kinds of determinations.

Staff will share the final Gaming Mitigation grant list with the Council by email prior to notifying the grantees.

Safe Harbors, Soft Landings Program Proposal
A COVID-19 Emergency Initiative for Cultural Organizations.

The impact of the COVID-19 crisis on cultural organizations within the Council's Cultural Investment Portfolio (CIP) and their employees has been enormous. While the financial resources that Mass Cultural Council currently has available are insufficient to address that financial need, we know that there is also enormous need for current and accurate information, particularly about how organizations can benefit from the recently passed federal stimulus legislation called the CARES Act, as well as a need for guidance and sound financial advice. We have previously selected the Nonprofit Finance Fund to provide financial assistance and counseling as part of the Council's Capacity Accelerator Network (CAN)- a program designed to address the needs of financially fragile organizations. Staff seeks to expand on the expertise and familiarity with the CIP organizations

Our proposal: **Safe Harbors, Soft Landings Program**, is a package of responses, including in-depth educational programs, a variety of consulting options, and a supplement to our unrestricted operating support grants.

Goals

1. Provide technical assistance for the Massachusetts cultural nonprofit sector on taking advantage of the new CARES Act benefits, including how to complete competitive applications for SBA Paycheck Protection Program Loans.
2. Provide a combination of financial support and technical assistance to Cultural Investment Portfolio organizations to provide a safe harbor and to understand the difficult decisions that might be necessary in the wake of COVID-19 pandemic.

Proposed Three-Part Strategy

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CIP Supplemental Stipends	All Portfolio and Gateway grantees (335 organizations)	Supplemental unrestricted operating support in a flat amount of \$2250.	

Part 1: CARES Act Webinar Instructional Series

Problem: Organizations need help in understanding and taking advantage of new support measures in the CARES Act. They also need immediate assistance in analyzing and projecting financial implications of suspended operations.

Solution: Wide access to technical assistance webinars that educates organizations on the CARES Act and benefits, the SBA loan process, organizational readiness (including cash flow, financial storytelling, etc.), equity in applying for capital, and difficult decisions that might be necessary (and additional concerns based on NFF proposal). Note that these webinars would be available to all Massachusetts Cultural Nonprofits whether or not they are current CIP grantees

Process:

- Four individual webinar series, each consisting of four, 60-90-minute sessions, designed and hosted by Sandi McKinley and NFF team.
- Webinars are organized and designed by audience. Factors considered in designing the webinar cohorts: Organization budget size; W-2 or 1099 staff; facility ownership; experience in underwriting/financing; financial viability pre-March 1, including current debt.
- Each webinar series is open to a maximum of 500 organizations: 2,000 organizations total, and each webinar series will be recorded for social media channels.

Part 2: NFF Coaching Services

Problem: Grantee organizations need small group, or one-on-one assistance in completing competitive applications for SBA loans, including telling their financial story.

Solution: A variety of coaching formats, working directly with consultant teams at the Nonprofit Finance Fund, to help Portfolio and Gateway organizations understand which CARES Act benefits are appropriate to them, and how to complete SBA applications.

Process: CIP team to design intake survey, and work with NFF to determine appropriate level and format of consulting.

- **Small Group Coaching:** grantees with minimal financial complexity, generally good financial health, which need assistance in short term planning, and completing SBA forms and applications.
- **Traditional Coaching:** Financially sophisticated organizations which simply need guidance on navigating the unfamiliar SBA process.
- **Full-Service Coaching:** Organizations needing complex financial analysis of current financial situation, including the possibility of difficult decisions to be made.
- **Priority:** To be provided to those organizations previously identified as financially fragile under the Council's Capacity Accelerator Network (CAN)

Part 3: CIP Supplemental Stipends

Problem: All Grantee organizations need additional cash to respond to immediate need.

Solution: Provide supplemental unrestricted operating support grants.

Process: Using repurposed "organizational support funds" made available from the Massachusetts Gaming Act, which totals approximately \$750,000, distribute grants of \$2250 as supplemental operating support to Portfolio and Gateway organizations. We recognize that this amount is small, and will not make a strategic difference to grantees, but we believe that there is a positive message that is sent by Mass Cultural Council providing additional financial support to all of our grantee organizations. Many of our smallest grantee organizations will not be able to benefit from the provisions of the CARES ACT. For those organizations, even a \$2250 grant will be useful, and the message that we see them as important partners in the cultural sector will be meaningful.

Overview of CARES Act benefits for nonprofits:

- Paycheck Protection Program Loans
- Economic Injury Disaster Loans (EIDL)
- Charitable Giving Incentive
- Employee Retention Payroll Tax Credit
- Delayed Payment of Payroll Taxes
- Economic Stabilization Fund
- Expanded Unemployment Insurance
- Paid Leave Mandates

ONE HUNDRED AND FORTY-SIXTH MEETING OF MASS CULTURAL COUNCIL

TUESDAY, APRIL 7, 2020: 1:00 TO 3:00 PM

(Reschedule of Cancelled March 13, 2020 Meeting)

ON-LINE MEETING

(CALL-IN INSTRUCTIONS POSTED AT
<https://massculturalcouncil.org/about/board/>
UNDER "APRIL 7, 2020 COUNCIL MEETING")

AGENDA	VOTE
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- | | |
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| 1. Call to Order, Welcomes and Open Meeting Law Notice | |
| 2. Minutes of 145 th Council Meeting | X |
| 3. Reports | |
| a) Chair Report | |
| b) Executive Director's Report | |
| c) Advocacy Committee Report | |
| d) Financial Report | |
| 4. Grants Committee Report - Reallocation of Resources to and Approval of New Programs and Modification of Existing Programs | X |
| i. COVID-19 Emergency Initiative for Cultural Organizations to be called "Safe Harbors and Soft Landings." | |
| ii. COVID-19 Relief Fund for Artists and Cultural Educators. | |
| iii. Social Prescription Pilot/Gaming Mitigation | |

5. Adjourn