



**DATE:** February 8, 2022

**CATEGORY:** Consent

**DEPT.:** Community Services

**TITLE:** **Shuttered Venue Operators Grant Award**

### **RECOMMENDATION**

Accept \$338,368.95 in additional grant funds from the U.S. Small Business Administration Shuttered Venue Operators Grant program to reimburse the Center for the Performing Arts staff payroll expenses.

### **BACKGROUND**

The Shuttered Venue Operators Grant (SVOG) program was established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, which was enacted in December 2020, and provides funding to eligible entertainment-related organizations that have suffered revenue loss due to the COVID-19 pandemic. The SVOG program includes \$15.0 billion in grant funding to shuttered theater venues and is administered by the U.S. Small Business Administration's Office of Disaster Assistance. To date, \$9.8 billion has been awarded through over 17,000 grants.

In April 2021, Community Services staff applied for the grant for the Center for the Performing Arts (CPA), which is an eligible shuttered theater venue under the SVOG program. Staff was notified in September 2021 that an initial grant had been awarded in the amount of \$676,737.90. In December 2021, City Council approved the acceptance of these grant funds, which are to be used to reimburse the CPA payroll expenses for the time period between March 1, 2020 and December 31, 2021. In January 2022, the CPA was awarded a supplemental SVOG grant in the amount of \$338,368.95 to reimburse payroll expenses through the end of Fiscal Year 2021-22.

### **ANALYSIS**

The CPA was significantly impacted by the COVID-19 pandemic in Fiscal Years 2019-20 and 2020-21 because it was forced to close to the public and cancel public performances. In a typical fiscal year, the CPA hosts roughly 400 to 500 performances. In Fiscal Year

2019-20, this number dropped to 276 performances, resulting in roughly \$276,000 in lost revenue. In Fiscal Year 2020-21, there were only 77 performances, resulting in nearly \$1.2 million less revenue compared to Fiscal Year 2018-19. Though revenue dropped significantly during this time, expenditures remained relatively consistent as they are comprised of mostly permanent staff costs.

If accepted, the additional SVOG funds will reimburse partial payroll expenses at the CPA for the time period between January 1, 2022 and June 30, 2022.

### **FISCAL IMPACT**

For Fiscal Year 2021-22, the City of Mountain View has received a total of \$1,015,106.85 in Shuttered Venue Operators Grant funding. These grant funds will partially reimburse the CPA staffing costs and increase cost recovery despite loss of revenue due to COVID-19 closures.

### **ALTERNATIVES**

Do not approve receipt of the grant funds.

**PUBLIC NOTICING**--Agenda posting.

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