

KEEPING SPACE - OAKLAND Financial Assistance Program Guidelines



Community Arts Stabilization Trust (CAST) announces the availability of financial assistance for Oakland arts and cultural groups, collectives, and organizations that are seeking assistance to secure long-term, affordable, and safe workspaces. *Keeping Space - Oakland* is a one-time pilot program comprised of real estate readiness training, one-on-one technical assistance, and direct financial grants. The program aims to build the capacity of organizations in the arts and culture sector to be “real estate ready” and to mitigate the adverse impacts of displacement for arts and cultural groups, collectives, and organizations in Oakland.

Keeping Space - Oakland facilitates **the securing of arts and cultural workspaces** that enable existing organizations to remain and thrive in Oakland in the following ways:

1. **Increasing arts and cultural organizations’ knowledge** about strategies and resources that strengthen their capacity to secure affordable, stable, and sustainable workspaces.
2. **Building skills and developing strategies** to tackle real estate projects, such as achieving optimal lease terms, crafting space sharing agreements, and site acquisitions, along with providing tools and templates that can be tailored to meet individual organizational needs.
3. **Providing financial support** to help execute real estate transactions that result in securing long-term, affordable space.

The program is modeled on San Francisco’s Nonprofit Displacement Mitigation Program for Arts and Culture—a partnership of CAST, Northern California Community Loan Fund (NCCLF), and San Francisco Arts Commission.

About CAST:

Community Arts Stabilization Trust was established on the belief that the arts drive dynamic, vibrant, and diverse communities. Founded in 2013, CAST is a nonprofit that creates long-term solutions to acquire, develop, and provide safe, affordable workspaces for artists and arts organizations in San Francisco, Oakland, and other urban settings. Bringing together technical assistance, real estate expertise, and innovative financing vehicles, CAST leverages public-private sector partnerships to execute its mission and goals.

KEEPING SPACE - OAKLAND is funded by:



KEEPING SPACE - OAKLAND is made possible in collaboration with the Oakland Arts Workspace Group, in partnership with the [City of Oakland](#) and [NCCLF](#).

Applications and guidelines are available at cast-sf.org/strategies/keeping-space-oakland/.

For more information, please contact Tyese Wortham, Program Manager, Community Arts Stabilization Fund, 70 Otis Street, San Francisco, CA 94605, 415-556-9888, ext. 103, twortham@cast-sf.org.

Timeline & Key Dates

June 1, 2017	<i>Financial Assistance Applications Available</i> Apply online at http://cast-sf.org/strategies/keeping-space-oakland/ .
June - July, 2017	Application Information Sessions - TBA (visit cast-sf.org for locations, dates, and times)
August 3, 2017, 11:59 p.m. PST	Financial Assistance Applications Due
Fall 2017	Award announcements and notifications

Basic Eligibility Requirements

You must meet the following basic eligibility requirements to apply for *Keeping Space - Oakland* programs.

1. Mission statement or programming must prioritize the development, production, presentation, and/or creative processes of arts and culture OR on providing services to such defined arts and cultural organizations.
2. Must be incorporated and in good standing as a Section 501(c)(3) corporation or be a fiscally sponsored project of a tax-exempt corporation that is operating for purposes consistent with Section 501(c)(3) status.
3. Must be located in the City of Oakland.
4. Must demonstrate a stable, active, and continued presence in Oakland for the past three (3) years.

Priority will be given to applicants that are able to demonstrate one (1) or more of the following requirements:

1. Displaced in the past five (5) years, since January 1, 2012, and have not yet secured a new lease of three (3) years or more.
2. Facing displacement over the next 12-18 month period from May 31, 2017.
3. Financial hardship and need.
4. Cultural equity, cultural preservation, and geographic equity.
5. Received a Keeping Space - Oakland Technical Assistance award.

Funding Categories

Keeping Space - Oakland provides grant funding of up to \$75,000 to groups, collectives, and organizations that have a developed plan for securing a long-term or permanent, affordable arts and cultural facility.

Financial assistance grant awards are provided across the following funding categories:

Category A: Acquisition Expenses
Maximum Request Amount: \$75,000
Acquisition expenses are costs incurred to finance and purchase an arts and cultural facility. Examples of acquisition expenses include closing costs (title, tax, appraisal, legal fees), holding costs or preoccupancy costs, etc.
Eligibility Requirements: Must be purchasing a facility for permanent use AND must have a fully executed Purchase and Sale Agreement or Letter of Intent, as of January 1, 2017.

Category B: Planning Expenses
Maximum Request Amount: \$50,000
Planning expenses are costs incurred in the planning for the acquisition or expansion of an arts and cultural facility. Examples of planning expenses include consultation for architectural, engineering, and legal expertise, feasibility studies, financial and management analysis, market analysis, site analysis, needs assessment, capital campaign consultation, etc.
Eligibility Requirements: At least <u>one</u> (1) site must be identified OR must submit a Purchase and Sale Agreement or Letter of Intent, if available, as of January 1, 2017.

Category C: Facility Improvement Expenses	
<p>Tenant Improvements: Tenant Improvements (TI) are customized alterations made to the property for the specific needs of the tenant. These include walls, floors, ceilings, and lighting, among others. TIs tend to be fixed to the property and tenant cannot remove them when vacating the premises.</p> <p>Maximum Request Amount: \$30,000</p> <p>Eligibility Requirements: Must have at least <u>three</u> (3) years remaining on lease from November 1, 2017 OR a fully executed Purchase and Sale Agreement or Letter of Intent to enter into a PSA.</p>	<p>Code, Safety, & ADA Improvements: Code, Safety, & ADA Improvements are facility emergency corrections for cited fire, ADA and/or safety code violations OR for prevention of such citations and violations.</p> <p>Maximum Request Amount: \$10,000</p> <p>Eligibility Requirements: Must have at least <u>one</u> (1) year remaining on lease from November 1, 2017 OR a fully executed Purchase and Sale Agreement or Letter of Intent to enter into a PSA.</p>

*Category D: Rental, Moving, and Other Expenses	
1	<p>Rental Expenses:</p> <ul style="list-style-type: none"> A stipend for up to six months of the difference between prior and new rental amounts. (<i>Stipend may be used for temporary/short-term/per use space costs for agreements executed in 2016 or later.</i>) A stipend for a portion of the rental cost for up to six months for organizations paying market lease rates (\$1.80/sf/mo. - \$2.40/sf/mo.), or greater.
2	<p>Moving Expenses, including:</p> <ul style="list-style-type: none"> Holding costs (costs incurred while operating two facilities at one time while moving) Furnishings, Fixtures, and Equipment (Restriction: Only for applicants moving into a newly leased or purchased space <u>and</u> with leases or PSAs dated June 1, 2017.)
3	<p>Other Expenses, including:</p> <ul style="list-style-type: none"> Particular facility costs that place the organization at-risk of displacement, such as special, required permitting, a significant increase in property taxes, etc.
Maximum Request Amount: \$10,000	
<p>Eligibility Requirements:</p> <ul style="list-style-type: none"> Must have at least <u>two</u> (2) years remaining on lease from November 1, 2017, OR Must have signed a new lease in 2016 or later Exception: May be on a month-to-month lease for Rental Expenses ONLY 	

Organizations may apply for **only one (1)** of the above listed categories. **For Category D: Rental, Moving, and Other Expenses, organizations may apply for more than one (1) expense. For example, an organization may apply for Category D: Other Expenses + Moving Expenses OR Category D: Rental Expenses + Moving Expenses.*

Only one (1) financial assistance grant may be awarded per project for the applicant organization over the pilot period, unless you are a Technical Assistance award recipient of Keeping Space – Oakland.

Technical assistance may be provided during the grant term (Fall 2017 – August 1, 2018) to ensure successful completion of the project.

Program Requirements

In order to receive a financial assistance grant award, the applicant must submit the following documentation to demonstrate:

1. **Section 501(c)(3) status** by submitting a letter of determination or **fiscal sponsorship** by submitting an EIN (Employer Identification Number).
2. An established track record of **servicing the residents of the City of Oakland** by providing at least three (3) events or programs produced in Oakland over the past three years, since November 1, 2014.
3. **Displacement risk** by submitting a current and/or terminated executed lease(s), Letter of Intent, Purchase and Sale Agreement, OR any other documentation that clearly indicates that the organization is facing displacement.
4. **Organizational capacity** by submitting leadership resumes and/or biographies, and, if available, a strategic or business plan.
5. A high degree of **project readiness** by submitting identified funding sources for the project, a preliminary project budget and timeline, identified project management team (as applicable), and projected operating budget.
6. **Site Identification**, for Category B ONLY, by submitting the street address of the site identified and owner or real estate broker's name.
7. A track record of **artistic and/or programmatic excellence and quality delivery of programs and/or services** by submitting one-three (1-3) documentation items below:
 - a. **MANDATORY:** One (1) letter of support from a community member, audience, artist served, or funder/donor that can speak to the organization's artistic and programmatic quality. The LOS must be no more than two (2) years old and must have a signature.
 - b. **OPTIONAL:** One (1) press review—not a preview—from the past two (2) years covering local work and attesting to organization's artistic and programmatic quality.
 - c. **OPTIONAL:** Two-Five (2-5) minutes of audio or video OR eight (8) PDF or JPEG images OR 10 pages maximum of film treatments, literary manuscripts, publications, and scripts, which demonstrate the organization's artistic and programmatic quality.
8. **Financial stability, hardship, and need** over the previous three (3) consecutive years by submitting year-end financial statements or the most recent Data Arts report (formerly the California Cultural Data Project), current year operating budget, most recent tax year Form 990 (for 501(c)(3) organizations only), and most recent audit, if available.

Restrictions on Grant Funds

- Only one (1) financial assistance grant may be awarded per project for an applicant organization for the duration of this one-time pilot program.
- Financial assistance projects must be expensed and completed by August 1, 2018.
- Grant funds may not be used for any of the following:
 - Ongoing mortgage payments
 - More than six months of a rental stipend
 - Staff salaries

Evaluation and Selection Process

Applications are processed and reviewed initially by CAST staff. A Selection Committee will evaluate the applications and make final decisions on the financial assistance awards. The Selection Committee will be comprised of experts in the arts, philanthropy, management, organizational development, facilities and construction management, financial management, and real estate development.

Financial assistance grant awards will be determined on a competitive basis and by the criteria listed below. Financial assistance awards will be granted based on available funds. The Selection Committee reserves the right to make exceptions to the maximum financial assistance grant award amounts across the funding categories. We anticipate great demand for this limited pool of funding. Please consider carefully and be realistic in your request amount to this pilot program.

Evaluation Criteria for Financial Assistance

The Selection Committee will make final award decisions based on the **core criteria** below:

Core Criteria

- Displacement Risk (20 points)
- Organizational Capacity (20 points)
- Financial Hardship & Need (20 points)
- Project Readiness (20 points)
- Artistic Quality & Programming (15 points)
- Community Impact (15 points)
- Financial Stability (15 points)

Organizations meeting one (1) or all **bonus criteria** below can earn up to an additional 25 bonus points in their overall evaluation.

Bonus Criteria

CULTURAL EQUITY (10 points) – Demonstrated accessibility in the creation, production, presentation, and patronage of arts and culture for all, including historically underserved communities (African, Latino(a), Asian, Arab, Native American, Pacific Islander, LGBTQ, People with Disabilities, and Women). This includes the representation of historically underserved communities in the operations, governance, and programming of arts and cultural organizations.

CULTURAL PRESERVATION (10 points) – Demonstrated preservation of Oakland’s tangible and intangible assets, including physical cultural assets and cultural heritage assets that have been integral to Oakland’s communities and cultural legacies.

GEOGRAPHIC EQUITY (5 points) – Demonstrated geographic location of space, programming, and/or audience in (and for) underserved neighborhoods and communities in Oakland that would benefit most from the preservation and creation of arts and cultural spaces and programs.

GLOSSARY OF TERMS

Commercial Lease: “Commercial lease” (or “lease”) is a legally binding contract or agreement whereby a landlord grants the tenant the right to occupy a defined space for long-term rentals.

Facing Displacement: “Facing displacement” occurs when leases held by organizations are terminated, not renewed, or offered at market rate lease pricing, which is substantially more than what their current rent has been. Organizations on a month-to-month lease, with a lease expiring within the next 12-18 months, that lack site control, and that are encountering other conditions, which place the organization at imminent risk of losing workspace, are also considered to be “facing displacement”.

Furniture, Fixings, & Equipment: also known as FF&E or FFE, “are movable furniture, fixtures or other equipment that have no permanent connection to the structure of a building or utilities. These items depreciate substantially over their long-term use.” (<http://www.investopedia.com/>)

Letter of Intent: also known as an LOI, is a preliminary, usually non-binding, agreement stating the proposed terms for a final contract of purchase or lease.

Purchase and Sale Agreement: also known as a PSA, is a contract which states the final sale price and all terms of a real estate purchase.

Real Estate Ready: An organization is “Real Estate Ready” when it demonstrates a strong baseline of operations and leadership to pursue long-term or permanent space. A “Real Estate Ready” organization will have developed its own organizational space priorities and plans, financing plans, and project team.

Temporary/Short-term/Per Use Space: are facilities leased for a specific run/period—such as a theater rented by a performing arts company for its 4-week home season—or typically less than one (1) year for workspace.