



AGENDA REPORT

Meeting Date: December 9, 2014

Item Number: F-1

To: Honorable Mayor & City Council

From: Nancy Hunt-Coffey, Assistant Director of Community Services

Subject: ORDINANCE OF THE CITY OF BEVERLY HILLS AMENDING THE BEVERLY HILLS MUNICIPAL CODE REGARDING PUBLIC ART

Attachment:

1. Current Ordinance - Article 8. Beverly Hills Public Art Ordinance from Beverly Hills Municipal Code
2. Proposed ordinance
3. Red line – proposed ordinance compared to version shared at 11/18/14 City Council meeting
4. Red line - proposed ordinance compared to current Fine Art Ordinance

RECOMMENDATION

It is recommended that the City Council move to waive the full reading of the ordinance and that the ordinance entitled "Ordinance of the City of Beverly Hills Amending the Beverly Hills Municipal Code Regarding Public Art" be introduced and read by title only.

INTRODUCTION

At the November 18, 2014 City Council meeting, questions arose related to the project valuation which will trigger the provisions of the proposed Public Art Ordinance; and whether the term "decorative art" should be removed from the proposed ordinance. In addition, the Council directed that the ordinance be brought back including a provision that gives the Council the ultimate authority in relation to de-accessioning of public art.

DISCUSSION

At the November 18, 2014 meeting, the City Council asked for additional information and clarification from the Fine Art Commission related to the issues identified above. The Fine Art Commission met on November 20th to consider these issues. The Commission felt that the \$500,000 project valuation trigger point should stand.

In general, the Commission felt that changing the requirement from \$500,000 to \$600,000 was arbitrary and would add a small amount (\$1000) to any construction project. Additionally, as one commissioner pointed out, the \$500,000 level is competitive with other cities in our area. Los Angeles, Santa Monica, Culver City and West Hollywood all impose public art fees beginning at \$500,000 or less of construction value. However, in the interest of recognizing the increasing cost of construction and the desire to find balance with our business community, the Commission recommends that the formula by which the fine art obligation is valued be changed slightly.

The recommendation is to retain a 1% fee for all projects valued between \$500,000 and \$1,000,000. However, projects valued at over \$1 million would be charged 1% of the first \$1 million and 1.5% of the value in excess of \$1 million. This proposed formula would result in slightly lower fine art fees for developers with larger projects and would make the distribution of the fees more equitable. For example, under the current language, the fee for a project valued at \$1 million is \$10,000 (1%) while the fee for a project valued at \$1.05 million would be \$15,750 (1.5% of all construction costs). Under the proposed method, the means of calculating the fine art fee for a project valued at \$1 million would be \$10,000 (1%) while the fee for a project valued at \$1.05 million would be \$10,750.

The Commission felt strongly that the term "decorative" should remain in the revised ordinance as it has been written. Per section 2-2-802 the Fine Art Commission was created to initiate and promote the purchase, donation or loan of fine art to the city. As a result, the commission feels that a distinction should be drawn as clearly as possible between fine art and decorative art to properly meet the intent of this portion of the code.

The Commission also recommends that the Council consider further the provisions of the proposed de-accessioning language. The 5 year retention provision was included by the commission to protect both the City and the City Council, and the commissioners feel that it should be retained.

Commissioners will be in attendance at the December 9th City Council meeting to provide feedback and comments on these issues as needed.

FISCAL IMPACT

None at this time.


Nancy Hunt-Coffey
Assistant Director of Community Services
Approved By