

Creative Sonoma Public Art Funding Analysis

The following calculations are intended to provide insights into the estimated yields from potential funding sources. Additional analysis and consultation with appropriate County departments would be needed to further develop process and funding mechanisms, pending Board direction.

Methodology

General Fund Contributions to Capital Expenditures (pages 3 and 4)

This spreadsheet tests the scenario that the County includes some percentage of the general fund contributions to the Capital Outlay in the public art program budget.

The data about how much money from the General Fund is used for capital expenditures comes from two sources: (a) County budgets, adopted annually, and (b) the Audited Comprehensive Financial Report (ACFR) prepared each year.

In the annual County budget, there is generally a table entitled, “Uses of the General Fund General Purpose Revenues,” and the data is pulled from a line titled “Capital Project Plan Contribution.”

In the ACFR, there is generally a table entitled “Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds,” and the data is pulled from a line titled “Expenditure: Capital Outlay.”

Transient Occupancy Tax (pages 5 and 6)

This spreadsheet tests the scenario that the County includes some percentage of the Transient Occupancy Tax that is dedicated to Community Investments in the public art program budget.

The data for how much TOT funding was collected is based on data provided from Creative Sonoma through FY22-23. The amount contributed to Community Investments is a percentage estimate, based on policies related to how TOT funding is used.

The public art budget estimates are based on a five-year look-back rolling average. This helps even out large fluctuations in tax receipts from year to year.

Private Development Funding (page 7)

This spreadsheet tests the scenario that the County includes revenue from a public art requirement for private development in the public art program budget.

The estimates are derived from data from Permit Sonoma, which each year publishes a report on all of the permits that are applied for and issued, including the type of permit, for new construction the nature of the project, and the value of the work.

The estimates were calculated for each year of permit data in the following way:

- Only building permits were considered.

- Any projects that were clearly fire recovery, affordable housing, seismic remediation, brownfield remediation or underground infrastructure, were eliminated.
- The remaining permits were sorted by construction type – residential, commercial and governmental.

The table presents the data by construction type, and indicates two value thresholds – permits for projects over \$500,000, and permits for projects over \$1,000,000.

Finally, the amount of funding generated (as opposed to art commissioned) is estimated as a percentage, based on historical data from Santa Rosa, which has a similar requirement. In Santa Rosa’s case, about half the projects with a public art requirement include public art on site, and half pay a cash contribution. Because the nature of projects in Sonoma County don’t lend themselves so easily to public art, we arbitrarily estimated that 75 percent would pay a cash contribution.

Public Art Funding Analysis: General Fund Contributions to Capital Expenditures

	Total Outlay (x1000)	General Fund (x1000)	5 Year Rolling Average (x1000)	Public Art Allocation (Public Art Percentage 1%)	ACRF Reference
22-23 Capital outlay:	\$ 99,219	\$ 14,240	\$ 10,042	\$ 100,420	ACRF page 40
21-22 Capital outlay:	\$ 71,266	\$ 9,523	\$ 9,582	\$ 95,822	ACFR page 31
20-21 Capital outlay:	\$ 85,139	\$ 11,983	\$ 9,118	\$ 91,180	
19-20 Capital outlay:	\$ 58,918	\$ 6,689			ACFR page 30
18-19 Capital outlay	\$ 58,318	\$ 7,775			
17-18 Capital outlay:	\$ 59,424	\$ 11,941			
16-17 Capital outlay:	\$ 52,548	\$ 7,202			

Source: CAFR, 2016-2023

Public Art Funding Analysis: General Fund Contributions to Capital Expenditures

	Total Outlay	General Fund (x1000)	5 Year Rolling Average (x1000)	Public Art Allocation (1% Public Art Percentage)	ACRF Reference
23-24 Capital outlay:		\$ 5,500	\$ 4,951	\$ 49,512	page 32
22-23 Capital outlay:		\$ 5,500	\$ 5,444	\$ 54,444	page 30
21-22 Capital outlay:		\$ 5,500	\$ 5,667	\$ 56,674	page 14
20-21 Capital outlay:		\$ -	\$ 5,975	\$ 59,746	
19-20 Capital outlay:		\$ 8,256			page 18
18-19 Capital outlay:		\$ 7,966			
17-18 Capital outlay:		\$ 6,615			page 20
16-17 Capital outlay:		\$ 7,036			

Source: Adopted Budgets 2016-2023

Public Art Funding Analysis: Transient Occupancy Tax (TOT)

TOT Revenue and Allocations & Community Investment Fund

Description	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
TOT Collected	\$13,894,227	\$19,369,181	\$22,024,150	\$23,213,085	\$17,030,555	\$25,106,400	\$34,548,134	\$30,982,141
Community Investment	\$6,947,114	\$9,684,591	\$11,012,075	\$11,664,575	\$8,557,854	\$12,615,966	\$17,360,437	\$15,491,071
<i>Five Year Rolling Average</i>					\$9,573,242	\$10,707,012	\$12,242,181	\$13,137,981
One Percent CI					\$ 95,732	\$ 107,070	\$ 122,422	\$ 131,380
1.5 Percent CI					\$ 143,599	\$ 160,605	\$ 183,633	\$ 197,070
Two Percent CI					\$ 191,465	\$ 214,140	\$ 244,844	\$ 262,760

Sources: EDB (FY16-17 to FY21-22), Creative Sonoma (FY 22-23)

TOT Revenue and Allocations & Community Investment Fund – Future Projections

Fiscal Year	TOT Collected	Community Investment (Estimated)	Five Year Rolling Average	Possible Public Art Allocation	Public Art Target Budget (@1.5 percent)
FY15-16	\$13,894,227	\$6,947,114			
FY16-17	\$19,369,181	\$9,684,591			
FY17-18	\$22,024,150	\$11,012,075			
FY18-19	\$23,213,085	\$11,664,575			
FY19-20	\$17,030,555	\$8,557,854	\$9,573,242		
FY20-21	\$25,106,400	\$12,615,966	\$10,707,012		
FY21-22	\$34,548,134	\$17,360,437	\$12,242,181		
FY22-23	\$30,982,141	\$15,491,071	\$13,137,981		
FY23-24 estimated	\$32,531,248	\$16,265,624	\$14,058,190	\$100,000	\$210,873
FY24-25 estimated	\$34,157,810	\$17,078,905	\$15,762,401	\$150,000	\$236,436
FY25-26 estimated	\$35,865,701	\$17,932,850	\$16,825,777	\$200,000	\$252,387
FY26-27 estimated	\$37,658,986	\$18,829,493	\$17,119,589	\$250,000	\$256,794
FY27-28 estimated	\$39,541,935	\$19,770,968	\$17,975,568	\$300,000	\$269,634
FY28-29 estimated	\$41,519,032	\$20,759,516	\$18,874,346	\$350,000	\$283,115
FY29-30 estimated	\$43,594,984	\$21,797,492	\$19,818,064	\$400,000	\$297,271
FY30-31 estimated	\$45,774,733	\$22,887,366	\$20,808,967	\$450,000	\$312,135

Annual escalation: 0.05

Initial allocation: \$100,000

Annual increment: \$50,000

Sources: EDB (FY16-17 to FY21-22), Creative Sonoma (FY 22-23)

Public Art Funding Analysis: Private Development Funding

\$1M THRESHOLD

Calendar Year	2021	2022	2023
Residential Construction Value	\$0	\$1,475,364	\$3,610,000
Non-Residential Construction Value	\$3,775,000	\$1,090,000	\$1,000,000
Government Construction Value	\$0		\$3,822,346
Percent for art, residential	\$0	\$14,754	\$36,100
Percent for art, non-residential	\$37,750	\$10,900	\$10,000
Percent for art, government	\$0	\$0	\$38,223
Estimated Cash Revenue	\$28,313	\$19,240	\$63,243

Percentage for percent for art = 0.01

Portion of funding provided in cash = 0.75

\$500,000 THRESHOLD

Calendar Year	2021	2022	2023
Residential Construction Value	\$6,702,792	\$8,133,549	\$7,298,980
Non-Residential Construction Value	\$4,392,710	\$1,728,817	\$1,617,760
Government Construction Value	\$800,000	\$0	\$3,822,346
Percent for art, residential	\$67,028	\$81,335	\$72,990
Percent for art, non-residential	\$43,927	\$17,288	\$16,178
Percent for art, government	\$8,000	\$0	\$38,223
Estimated Cash Revenue	\$89,216	\$73,968	\$95,543

Percentage for percent for art = 0.01

Portion of funding provided in cash = 0.75