



TO: Mayor and Councilmembers

FROM: Vyto Adomaitis, Neighborhood Services and Public Safety Director

CONTACT: Dana Grossi, Management Analyst

SUBJECT: Fiscal Year 2019-20 Support to Other Agencies Grant Award for Goleta Old Town Christmas Parade

RECOMMENDATION:

Approve a Support to Other Agencies grant award to the Goleta Old Town Christmas Parade in the amount of \$10,000.

BACKGROUND:

On August 20, 2019, the City Council approved the Grant Funding Review Committee's Fiscal Year (FY) 2019-20 funding recommendations under the Support to Other Agencies Program, which awarded a total of \$562,500 in grant awards to 17 nonprofit organizations. The Committee also recommended that \$10,000 in funding be set aside to support this year's upcoming Christmas Parade in Old Town. The Committee had preliminarily awarded this funding to a newly formed group called the Goleta Old Town Christmas Parade; however, the award was contingent upon the organization's acquisition of nonprofit status. Organizations are required to have nonprofit status to receive City funding under the Support to Other Agencies Program. At the time, the Goleta Old Town Christmas Parade was still in the process of receiving federal income tax exemption status from the Internal Revenue Service (IRS).

The Goleta Old Town Christmas Parade has since received tax exemption status under Internal Revenue Code 501(c)(3). The confirmation letter from the IRS dated August 21, 2019 is included here as Attachment 1.

DISCUSSION:

Staff recommends that the City Council approve \$10,000 in Support to Other Agencies funding for the Goleta Old Town Christmas Parade organization to support the production of this year's parade. Attachment 2 contains the draft grant agreement. If this grant is awarded, the total Support to Other Agencies funding approved for this FY will be \$562,500. The Goleta Old Town Christmas Parade organization consists of a core

group of community members that were involved in planning the parade in past years. Five board members oversee the organization; all are volunteers. The Goleta Old Town Christmas Parade will be coordinating with the Goleta Valley Community Center and the Goleta Chamber of Commerce to help produce the parade.

FISCAL IMPACTS:

The current FY 2019-20 Adopted Budget includes a total of \$562,500 budgeted under the Support to Other Agencies Program. This budget already includes \$10,000 allocated to the Christmas Parade, but an organization is not yet specified to receive the funding. If approved, the \$10,000 grant will be provided to the Goleta Old Town Christmas Parade organization and this funding will be managed within the Neighborhood Services and Public Safety Department budget under the Economic Development/Marketing and Promotions program area (Account 101-5-6400-223).

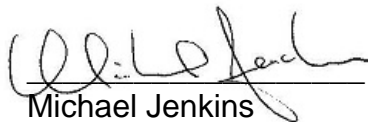
ALTERNATIVES:

The City Council could choose to decline a grant award to the Goleta Old Town Christmas Parade and thus a savings of \$10,000 would be realized in this year's budget. Alternatively, the Council could direct staff to provide the funds to a different organization in support of the Christmas Parade.


Reviewed By:


Kristine Schmidt
Assistant City Manager

Legal Review By:


Michael Jenkins
City Attorney

Approved By:


Michelle Greene
City Manager

ATTACHMENTS:

1. IRS Tax Exemption Letter
2. Agreement for Grant Funds Between the City of Goleta and Goleta Old Town Christmas Parade

ATTACHMENT 1:

IRS Tax Exemption Letter

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 21 2019**

GOLETA OLD TOWN CHRISTMAS PARADE
C/O PHIL UNANDER
5855 HOLLISTER AVE
GOLETA, CA 93117-3613

Employer Identification Number:
84-2344635
DLN:
26053593001629
Contact Person:
JOAN C KISER ID# 31217
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
509(a)(2)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
July 1, 2019
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

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GOLETA OLD TOWN CHRISTMAS PARADE

Sincerely,

A handwritten signature in cursive script, appearing to read "Stephen A. Martin".

Director, Exempt Organizations
Rulings and Agreements

Letter 947

ATTACHMENT 2

Agreement for Grant Funds Between the City of Goleta and Goleta Old Town Christmas Parade

**AN AGREEMENT FOR GRANT FUNDS
BETWEEN THE CITY OF GOLETA
AND
GOLETA OLD TOWN CHRISTMAS PARADE**

THIS AGREEMENT FOR GRANT FUNDS ("Agreement"), is made and entered into this ____ day of November, 2019, by and between the **CITY OF GOLETA**, a municipal corporation (herein referred to as "City"), and the **GOLETA OLD TOWN CHRISTMAS PARADE**, a California non-profit corporation (herein referred to as "Grantee").

WHEREAS, Grantee is a non-profit organization with the goal of producing the Goleta Old Town Christmas Parade; and

WHEREAS, Grantee is providing services as identified in paragraph 1A; and

WHEREAS, the City chooses to contract for the above-described services, which benefit the City, its residents, business and property owners, and employees, because it is unable to provide such services with its own resources; and

WHEREAS, it is beneficial to the City, its residents, business and property owners, and employees and the public welfare that these services be provided; and

WHEREAS, Grantee desires to provide to the City, its residents, business and property owners, and employees said services and is qualified by reason of experience, organization, preparation, staffing, and facilities to provide such services; and

WHEREAS, the City Council, on this 5th day of November, 2019, approved this Agreement in substantial form and authorized the City Manager to execute the Agreement.

NOW, THEREFORE, in consideration of the foregoing and the promises herein contained, City and Grantee agree as follows:

1. DESCRIPTION OF SERVICES

(a) The services to be performed by Grantee are as follows:

Promote and deliver the Goleta Old Town Christmas Parade. A more detailed description of services is included as Exhibit A to this Agreement.

Grantee shall provide the following deliverables to the City by July 30, 2020:

(i) Financial documentation: This should include an itemized report detailing how the funds were expended. Grantee must also retain receipts of any expenditures as back up for a minimum of two years should the City request this information.

(ii) Sample promotional program materials (if applicable)

(iii) End-of-year program report: The Grantee shall complete and submit an end-of-year program report to the City in accordance with the template attached as Exhibit C.

(b) Grantee warrants that funds granted by this Agreement shall be used solely for the purpose described on the application form submitted by Grantee. If the activity that is to be funded under this Agreement is canceled or substantially altered, Grantee agrees to notify City and to refund the grant amount in full or in part as directed by City.

(c) City determines that funding is for a project that provides a public benefit within the City of Goleta.

(d) No part of funds provided pursuant to this Agreement shall be used to construct a public project as that is defined in California Labor Code Section 1771, or any administrative or judicial authorities interpreting this section.

2. GRANT PAYMENT

(a) **Maximum and Rate.** The total grant payable to Grantee by City for services under this Agreement shall be \$10,000.

(b) **Payment Schedule.** City shall fund Grantee with grant funds no later than November 30, 2019.

3. RESTRICTIONS AND LIMITATIONS ON USE OF CITY FUNDS

(a) Grant funds provided by City under this Agreement shall not be used for political campaigning purposes or activities. Grantee (and affiliates) shall not endorse, fundraise, campaign or otherwise support or oppose a candidate for a City of Goleta elected office.

(b) Grant funds provided by City under this Agreement shall not be used for religious activities.

(c) Grant funds provided by City under this Agreement shall be used as shown in the budget expenses detailed in Exhibit B.

4. TERM

The term of this agreement shall commence on November ____, 2019 and continue until June 30, 2020.

5. CITY PROJECT MANAGER AND SERVICES BY CITY

City's "Project Manager", as that person is designated by the City from time to time, is Michelle Greene, City Manager.

6. PROGRESS AND COMPLETION

Grantee shall commence work on the services to be performed upon receiving written authorization to proceed with the work provided by City's Project Manager and receipt of an executed Agreement. All services shall be completed within the term of this Agreement. If the services are incomplete in any way, the Project Manager may take appropriate action under this Agreement, at law or in equity, including requiring Grantee to repay to City any funds received for such projects.

7. PREVAILING WAGES

To the extent any work performed by or for the Grantee pursuant to this Agreement requires that the payment and reporting of payment of prevailing wages pursuant to State law, such obligation is the responsibility of Grantee.

8. OWNERSHIP OF DOCUMENTS

City may request any drawings, designs, data, photographs, report and other documentation directly related to the project (other than Grantee's drafts, notes and internal memoranda), including duplication of same, prepared by Grantee in the performance of these services.

9. NO ASSIGNMENT/SUBCONTRACTOR

No work shall be assigned to a subcontractor without City's written consent.

10. HOLD HARMLESS AND INDEMNITY

(a) **Hold Harmless for Grantee's Damages.** Grantee holds City, its elected officials, officers, and employees, harmless from all Grantee's claims, demands, lawsuits, judgments, damages, losses, injuries or liability to Grantee, to Grantee's employees, to Grantee's volunteers, contractors or subcontractors, or to the owners of Grantee's firm, whether damages, losses, injuries or liability occur during the work required under this Agreement, or occur while Grantee is on City property, or which are connected, directly or indirectly, with Grantee's performance of any activity or work required under this Agreement.

(b) Defense and Indemnity of Third Party Claims/Liability. Grantee shall investigate, defend, and indemnify City, its elected officials, officers, employees, and volunteers from any claims, lawsuits, demands, judgments, and all liability including, but not limited to, monetary or property damage, lost profit, personal injury, wrongful death, general liability, automobile, infringement of copyright/patent/trademark, or professional errors and omissions arising out of, directly or indirectly, an error, negligence, or omission of Grantee or Grantee's volunteers, contractors, subcontractors, or the willful misconduct of Grantee or Grantee's volunteers, contractors, subcontractors, in performing the services described in, or normally associated with, this type of contracted work. The duty to defend shall include any suits or actions in law or equity concerning any activity, product or work required under this Agreement, and also include the payment of all court costs, attorney fees, expert witness costs, investigation costs, claims adjusting costs and any other costs required for and related to such litigation.

(c) No Waiver. City does not waive, nor shall be deemed to have waived, any indemnity, defense or hold harmless rights under this section because of the acceptance by City, or the deposit with City, of any insurance certificates or policies described in Section 11.

11. INSURANCE

Without limiting Grantee's indemnification of Agency, and prior to commencement of Work, Grantee shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Agency.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit per accident.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000). Consultant shall submit to Agency, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of Agency, its officers, agents, employees and volunteers.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by Agency shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Agency before the Agency's own insurance or self-insurance shall be called upon to protect it as a named insured.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. If the Grantee maintains higher limits than the minimums shown above, the Agency requires and shall be entitled to coverage for the higher limits maintained by the Grantee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Agency.

All insurance policies shall be issued by a financially responsible company or companies authorized to do business in the State of California. City, its officers and employees, shall be named as additional insured. Grantee shall provide City with copies of certificates for all policies, in a format acceptable to City, with the appropriate named additional insured coverage and an endorsement that they are not subject to cancellation without 30 days prior written notice to City. Insurance certificates must be submitted by Grantee and approved by City before grant work commences.

12. RELATION OF THE PARTIES

The relationship of the parties to this Agreement shall be that of independent contractors and that in no event shall Grantee be considered an officer, agent, servant or employee of City. Grantee shall be solely responsible for any workers compensation insurance, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work.

13. AUDIT OF RECORDS

At any time during normal business hours and as often as it may deem necessary, Grantee shall make available to a representative of City for examination of all its records with respect to all matters covered by this Agreement and will permit City to audit, examine and/or reproduce such records. Grantee will retain such financial records, time sheets, work progress reports, invoices, bills and project records for at least two years after termination or final payment under this Agreement.

14. WAIVER; REMEDIES CUMULATIVE

Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict

compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

15. CONSTRUCTION OF LANGUAGE OF AGREEMENT

The provisions of this Agreement shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

16. MITIGATION OF DAMAGES

In all situations arising out of this Agreement, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

17. GOVERNING LAW

This Agreement, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in the Superior Court of Santa Barbara County.

18. NONDISCRIMINATION

Grantee shall not discriminate on the basis of race, color, gender, gender identity/expression, pregnancy, sexual orientation, or any other characteristic protected under applicable federal or state law.

19. CAPTIONS

The captions or headings in this Agreement are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the Agreement.

20. AUTHORIZATION

Each party has expressly authorized the execution of this Agreement on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns,

principals, partners, joint venturers, insurance carriers and any others who may claim through it to this Agreement.

21. ENTIRE AGREEMENT BETWEEN PARTIES

Except for Grantee's proposals and submitted representations for obtaining this Agreement, this Agreement supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering of services, and contains all of the covenants and agreements between the parties with respect to said services. Any modifications of this Agreement will be effective only if it is in writing and signed by the party to be charged.

22. PARTIAL INVALIDITY

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way unless to do so would frustrate the principal purposes of the Agreement.

23. NOTICES

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY:	Michelle Greene, City Manager City of Goleta 130 Cremona Drive, Suite B Goleta, CA 93117
TO GRANTEE:	Goleta Old Town Christmas Parade Robin Hurley, Vice President/Secretary 95 Alpine Drive Goleta, CA 93117

24. COUNTERPARTS AND FASCIMILE OR PDF SIGNATURES

This Agreement may be executed in one or more counterparts, each of which when executed and delivered shall be an original, and all of which when executed shall constitute one and the same instrument. This Agreement may be delivered by facsimile and/or emailed pdf format, and such signatures shall constitute an original signature for any and all purposes.

In concurrence and witness whereof, this Agreement has been executed by the parties effective on the date and year first above written.

CITY OF GOLETA

GRANTEE

Michelle Greene, City Manager

Robin Hurley,
Vice President/Secretary

ATTEST

Deborah Lopez, City Clerk

APPROVED TO FORM



Winnie Cai, Assistant City Attorney

EXHIBIT A

Description of Services

Grantee will deliver the third annual Goleta Old Town Christmas Parade on Saturday, December 14, 2019. The parade will start at Hollister Avenue at the intersection of Orange Avenue, and will end at the Goleta Valley Community Center. The parade promotes Goleta Old Town and is a benefit for residents and merchants throughout Goleta. Attendance at the parade is estimated to exceed 6,000 persons, including 65 parade entries (1,500 estimated parade participants). Parade groups will include marching bands from local schools including high schools and elementary schools, floats, vintage tractors, dog walking groups, numerous local organizations and businesses including Santa Barbara Elks Lodge, Lions Club, Community West Bank, City of Goleta Public Works, Goleta City Council and staff, Santa Barbara County Fire Department, and more, along with Santa Claus on a vintage fire engine.

The parade operation will include over 80 volunteers, and the closing of Hollister Avenue from 5:00p.m. through 9:00p.m. on the parade day. Street closures will include numerous side streets barricaded, detours, and the provision of additional spectator and participant parking.

EXHIBIT B

Budget

	Expenditures for FY 19/20 (Projected)	<i>City of Goleta Funds FY 19/20 (Projected)</i>
Salaries, Benefits, Payroll Taxes		
Consultants and Contracts	\$1,000	
Facility, Utilities, Maintenance		
Supplies	\$500	
Marketing (Printing, Advertising)	\$3,550	
Travel, Mileage, Training		
Equipment Rental/Maintenance	\$25,400	\$10,000 (street/route lights and street closure)
Insurance	\$1,000	
Other Expenditures*	\$5,500	
TOTAL EXPENDITURES	\$37,000	\$10,000

*Please specify Other Expenditures: \$150 for event permit; \$2,500 for law enforcement; \$1,500 for road closure permit; \$1,400 for golf carts to work the parade

EXHIBIT C

End of Year Report

JULY 1, 2019 – JUNE 30, 2020

Agency Name:

Contract Amount: \$

Activity or Program Name:

Activity Location:

Agency Contact Name:

Agency Contact Number:

1. Please describe the activity or program accomplishments.

2. Comment on areas of significant deviation from the activity/program goals and objectives, if any.

3. Comment on any areas of significant deviation from the budget proposal submitted with the activity/project application, if any.

4. Approximately how many persons in Goleta were served?

5. Please attach an itemized budget report that details how the program or activity funds were expended. In addition, please submit a breakdown of expenditures categorized by type, using the template on the next page.

Expenditures for FY 19/20 (Actuals)

	Total Expenditures for FY 19/20 (Actuals)	<i>City of Goleta Funds FY 19/20 (Actuals)</i>
Salaries, Benefits, Payroll Taxes		
Consultants and Contracts		
Facility, Utilities, Maintenance		
Supplies		
Marketing (Printing, Advertising)		
Travel, Mileage, Training		
Equipment Rental/Maintenance		
Insurance		
Other Expenditures*		
TOTAL EXPENDITURES		

*Please specify Other Expenditures:
