

PROPOSED FUNDING MECHANISMS FOR PUBLIC ART PROJECTS

- **Transient Occupancy Tax (TOT)**

This is a tax applied to short-term rentals and hotel stays, typically charged to guest. The City of Costa Mesa's Retail Cannabis Tax and Regulation Measure operates in a similar function to the TOT and currently allocates one-half percent of total tax revenue for the implementation of the Arts and Culture Master Plan.

- **Public Works Percent for Arts Funding**

This is the integration of public art into construction and improvement to City facilities. As permanent public art is considered a capital improvement, it is generally eligible as an expense in tandem with grants or other outside funding for these projects. Municipalities have allocated between 1-2% of the cost of construction for public art as part of the standard budgeting process.

- **Private Development Percent for Arts Funding**

This is the integration of public art into construction and improvement in private development projects. Policies vary, with private developers, in some cities, permitted to acquire and install art on their property to fulfill the requirement (with City review and approval), or contribute to an in-lieu fund managed by the City to acquire and install public art on City-owned property.

- **Quimby Funds**

These funds are restricted to parks and support the integration of public art into park enhancement projects.

- **Arts in Parks Funding**

This is a General Fund appropriation from the State budget for the California Department of Parks and Recreation to create new California Cultural and Art Installations in the Parks program for state and local parks. There is grant funding available annually.

- **Private Funds**

Opportunities exist for raise private support to augment public funding for public art programs, ranging from "crowdfunding" small contributions (often used for commemorative monuments) to major gifts that enable municipalities to acquire an especially costly work of art by an internationally-renowned artist.