

BUDGET AND FINANCE COMMITTEE REPORT relative to funding from the Innovation Fund (IF) for the Department of Cultural Affairs (DCA) Watts Towers Arts Center Campus Virtual Accessibility Experience pilot project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. NOTE and FILE the City Administrative Officer (CAO) report, dated April 9, 2025, attached to the Council file, relative to funding in the amount of \$200,000 from the IF for the DCA Watts Towers Arts Center Campus Virtual Accessibility Experience pilot project.
2. AUTHORIZE:
  - a. The establishment and appropriation of a new appropriation account entitled Department of Cultural Affairs – Watts Towers Arts Center Campus Virtual Accessibility Experience, in the amount of \$200,000, within Innovation Fund No. 105/10, from the available cash balance of the IF.
  - b. The transfer of \$200,000 from Innovation Fund No. 105/10, Department of Cultural Affairs – Watts Towers Arts Center Campus Virtual Accessibility Experience, to Cultural Affairs Department Trust Fund No. 844/30, as follows: Fund/Dept. No. 844/30, Acct No. TBD, Account Name: Watts Towers Art Center Campus Virtual Accessibility Experience.
3. INSTRUCT the DCA to:
  - a. Separately track all encumbrances and expenditures of IF monies so that unspent funds can be returned to the IF at the end of the fiscal year.
  - b. Report to the Innovation and Performance Commission (IPC):
    - i. With an accounting of the funds, the lessons learned, and any obstacles faced.
    - ii. If, after the receipt of funds, the scope of the funded item differs from the scope approved for funding by the Mayor and the City Council.
  - c. As appropriate, include acknowledgment of the IPC on public materials, such as press releases or websites that reference the Watts Towers Arts Center Campus Virtual Accessibility Experience project.
4. AUTHORIZE the DCA to make technical corrections as necessary to the transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CAO reports that the recommendation to note and file the CAO report will have no financial impact. If the Council approves the allocation of \$200,000 to the DCA for the Watts Towers Arts Center Campus Virtual Accessibility Experience pilot, it would reduce the remaining IF Balance, which is currently \$2,768,922.75. Savings from the IF Balance may be used to address the current city-wide financial crisis and the overspending in the 2024-25 fiscal year. Additionally, funding this program may incur unfunded and ongoing costs.

Financial Policies Statement: The CAO reports that the recommendation in the CAO report complies with the City's Financial Policies.

Community Impact Statement: None submitted.

Summary:

On April 21, 2025, your Government Efficiency, Innovation, and Audits (GEIA) Committee considered an April 9, 2025 CAO report relative to a recommendation from the Innovation and Performance Commission (IPC) to provide funding in the amount of \$200,000 from the IF for the DCA Watts Towers Arts Center Campus Virtual Accessibility Experience pilot project. After consideration and having provided an opportunity for public comment, the Committee recommended the Council note and file the CAO report and approved the recommendations as detailed above. The matter was scheduled for Council on May 23, 2025, and the Council referred the matter to the Budget and Finance Committee.

On June 17, 2025, the Budget and Finance Committee considered the GEIA Committee report and moved to concur with the GEIA recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,  
BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	ABSENT
McOSKER:	YES
HERNANDEZ:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**