

THEATER SUBDISTRICT COUNCIL LOCAL DEVELOPMENT CORPORATION
MINUTES OF THE MEETING OF THE MEMBER AND DIRECTORS

This meeting of the Members and Directors of the Theater Subdistrict Council Local Development Corporation (“Corporation”) was held at 2:00 p.m. on October 30, 2020 on a remote Zoom meeting. The following Directors were present:

Commissioner of the Department of Cultural Affairs, Gonzalo Casals, Alternate for Mayor Bill de Blasio
Director of the Department of City Planning, Marisa Lago
David Henry Hwang, Mayor’s Appointee
Paige Price, Speaker’s Designee
Daryl Roth, Mayor’s Appointee
Vanessa Diaz-Lopez, Alternate for Manhattan Borough President Gale Brewer

The following officers were present:

David Parish, Chief Financial Officer
Dominick Answini, Chief Contracting Officer

As well as:

Kathy Hughes, Assistant Commissioner of the Department of Cultural Affairs
Barbara Janowitz, TSC Program Administrator

Notice of this meeting was given to all members in accordance with the by-laws. Public notice of this meeting was posted in accordance with Open Meetings Law and was given to Manhattan Community Boards 4 and 5 in accordance with the by-laws.

A quorum of Directors was present. Director Lago called the meeting to order, and introductions were made. Commissioner Casals spoke of the effect of the COVID epidemic on the theater industry and the efforts to diversify the audiences for theater and how important theater and other cultural events are for the enjoyment, education and economy of New Yorkers. He also noted that polls show that New Yorkers, even during the ongoing pandemic, recognized the importance of culture, more so than Americans generally.

Director Roth spoke of her longtime participation in the TSC and, generally, how the TSC has helped theater and cultural organizations around the City.

Director Price spoke of her past as a Broadway performer and her work as a producer and artistic director both in New York City and Philadelphia and how pleased she is to work with the TSC to distribute needed funds to the artistic community.

Director Hwang noted that he is a playwright and new to the TSC during a time where the TSC hasn’t had a lot of funds to distribute. He spoke of the important work the TSC had done to expand access and improve equity to help organizations.

Officer Answini opened the Meeting of the Members to reelect the Directors, which was done by assent.

Officer Answini then opened the Meeting of the Directors and noted that a quorum was present and asked the Directors to adopt the minutes from the 2019 meeting which was done. He also noted that there was a conflict-of-interest form in the package provided and requested that it be filled out and returned to him.

Officer Parish then spoke of the budget. He directed the attendees to the “extended budget” included in the package that stretched to 2024. He noted that there had been no income in the last fiscal year save for interest earned on bank accounts. After the last grant, the amount needed to pay for the audit, and the required \$75,000 reserve, the TSC was left with \$133,000.

He then spoke of the multi-year budget and stated that since there would probably not be a spring meeting, and a budget was required for fiscal year 2021, he proposed that the next fiscal year budget be approved at this time, which was done. Director Lago explained that this would mean a spring meeting would not be required. Officer Parish made a motion to adopt the extended budget at it was approved.

Officer Answini then directed the attendees to the Annual Report and asked the Directors to approve a motion to adopt the Report, which the directors did.

Ms. Janowitz made a report on grant making, explaining that although the Round 6 grant period ended 16 months ago (June 30, 2019), eight of the grantees were able to obtain other funds to continue their TSC-funded programs. When the pandemic arrived, it affected the grantees' ability to continue these programs, but three grantees were able to still run them and the rest are intending to come back when they can. Then Officer Answini proposed the election of new officers, himself and Commissioner Casals, and this election was approved.

The Audit Committee portion of the meeting was then commenced.

Officer Parish discussed the proposed new auditor (Long Island Financial Management Services) and discussed the auditor’s qualifications and experience and that the lead auditor, Susan Rich, had provided a clean unqualified audit of the TSC, with no evidence of wrongdoing. She found two instances where accruals should have been expenses, which lead to a \$1200 difference in the TSC financials, and also that it would be more appropriate if in-kind contributions from DCP staff would have been included in the financials. A final recommendation was that we seek clarification that TSC could be covered by the NYC insurance policy. Director Lago noted that it was a very clean audit, and that last year’s challenging relationship with the previous auditor was an issue but that this year the relationship was much better and that contributed to a reduced the amount of staff time working with the auditors.

The Audit Committee then voted to adopt the budget and also to hire the new auditor. The Assessment of Internal Controls was also approved by the Audit Committee. Officer Answini made a motion to adjourn the Meeting of the Audit Committee and move to the meeting of the Governance Committee and that was approved by the Audit Committee.

The Governance Committee portion of the meeting was then commenced.

Officer Answini noted that the Public Authorities Accountability Act requires that Board members conduct an annual evaluation of the organization and this survey was transmitted to Board members the day prior and the summary of the results will be submitted to the NYS Authorities Budget Office. Officer Answini explained, however, that the evaluations were supposed to be anonymous, a task made more difficult where there is no in-person meeting. Answini explained that he would need to figure out a way to collect the survey in an anonymous fashion and would get back to the Directors.

Afterwards, Officer Answini made a motion to adjourn the Meeting of the Governance Committee and return to the Meeting of Directors and that was approved by the Committee.

In the Meeting of Directors, Officer Answini made a motion that the Procurement Policy, Mission Statement, Investment Guidelines, Internal Controls, all of which were placed in the materials for the meeting, needed to be reviewed and voted on by the Directors. They were reviewed and were subsequently adopted by the Directors.

Officer Answini then discussed the state of the TSC: that there were minimal funds available with no projects foreseeable in the near future that would require contributions into the fund. He opened the floor to a discussion of what to do given the COVID crisis and the limited funds. Commissioner Casals noted that in absence of additional funds the TSC should not distribute at this time and should wait for new projects to increase the funds so that the TSC could be more effective. Director Price noted that she was concerned about the grantees and wondered if there was something TSC could provide to the companies related to morale or other non-financial support. Commissioner Casals thought that was a good idea and that he could continue to talk to the companies as head of the Department of Cultural Affairs. Ms. Janowitz then noted that she has been in contact with the grantees and they do know that the TSC is concerned about them and wishing them well.

Officer Answini asked whether anything could be done financially at this time. He noted that \$75,000 needed to be a reserve which left \$133,000 (confirmed by Officer Parish) for distribution. Commissioner Casals noted that this was much less than individual grants made in the past (generally, all grants were over \$100,000 each). Commissioner Casals suggested giving the TSC enough time to see how the crisis unfolds and, in the future, especially if new funds came in the TSC would have the means and the knowledge to better apply support. Commissioner Lago noted that TSC didn't have enough funds for an effective grant-making program now but that it was important to keep our focus on expanding theater to new audiences (she referenced Director Hwang's comments, summarized above). Mr. Hwang noted that there is a lot of discussion in the theater community as to what the industry would look like when it comes back and how it affects the work of the TSC. He believed that the concept of "community" would be increasingly important and so "community theater" would become more important although in some ways all theater is community theater. He believed that a central guiding principle when theater "comes back" is that TSC should support both commercial and community theater. He also noted that it would take tourists a while to return. Director Lago noted the similarities between theater and urban planning, where in urban planning today there is a focus on the "15-minute neighborhood", i.e., living where everything one needs is nearby, of which local community theater is a good example.

Commissioner Casals spoke of decentralization of cultural offerings, that New Yorkers should be 10 minutes away from a park as well as a cultural experience.

Ms. Janowitz noted that the future is lean for funding and asked whether the TSC should wait or have a plan for distribution of funds. Director Lago stated that at this point it was too early to make this determination, and that the TSC was in a bit of pause until it could get more clarity but at the time of the next meeting there will be much more clarity, especially that provided by the board members in the industry (including the Department of Cultural Affairs). Director Lago suggested that before the next meeting Commissioner Casals could think of ideas as to what the TSC could do moving forward. Director Price suggested that perhaps if there were other non-financial means to provide some leadership to help come with creative ways to help the industry and to determine what the priorities are.

After the discussion concluded, Officer Answini proposed the next meet a year from now and made a motion to close the meeting which was approved. There being no other business before the Directors, the meeting was, upon motion made and carried.

Signed:

Vanessa Ditz-Spez

, Secretary

On:

11/4/21

Date