

**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 November 14, 2022 at 120 Broadway, Lower Concourse, New York, NY.

The following Members/Directors were present:

Commissioner of the Department of Cultural Affairs Laurie Cumbo, Representative of Mayor Eric Adams  
Director of the Department of City Planning, Daniel Garodnick  
Manhattan Borough President, Mark Levine  
Danielle Porcaro, Director, Community Engagement Division, NYC Council, Representative of Speaker Adrienne Adams  
David Henry Hwang, Mayor's Appointee  
Lin-Manuel Miranda, Mayor's Appointee  
Paige Price, Speaker's Designee

The following Officers were present:

Chief Executive Officer – DCA Commissioner Laurie Cumbo  
Chief Financial Officer – DCP Director of Business Improvement and Fiscal Affairs, David Parish  
Chief Contracting Officer- DCP Associate Counsel, Dominick Answini  
Secretary - Manhattan Borough President Mark D. Levine  
Treasurer- DCP Director Daniel R. Garodnick

As well as:

Barbara Janowitz, TSC Program Administrator  
Helene Blieberg, Assistant Commissioner, Department of Cultural Affairs  
Shirley Levy, Senior Advisor to the Commissioner, Department of Cultural Affairs  
Michael Krevet, Chief of Staff, Department of Cultural Affairs  
Ashley Firestone, Director, Equity & Partnerships, Department of Cultural Affairs  
Amy Slattery, Director of Budget and Capital Projects, Borough President's Office

A quorum of Members was present. Mr. Answini summarized the goals of the TSC and then called the meeting of the members to order and began introductions. He then gave a quick summary of the upcoming meeting and the materials provided to the Directors/Members.

Commissioner Cumbo provided comments, explaining that the TSC could make a real impact to theaters still struggling coming out of the pandemic and that she was pleased to see that past grants had helped organization serving underserved and underrepresented organizations. Then Director Garodnick noted that the Ambassador theater transfer of 81,000 sf to a site at 46<sup>th</sup> St. & 8<sup>th</sup> Ave. was recently approved which would mean \$2 million into the fund and, additionally, in July the DCP approved an increase in the price per square foot contribution amount. MBP Levin said that the TSC program has been successful in helping a diverse group of theaters not only on Broadway and that it was good that more resources were coming.

Commissioner Cumbo called the meeting of Member to order and Mr. Answini stated that there was a quorum of Members. The Members elected themselves Directors by a show of hands. Mr. Answini noted that director Daryl Roth resigned and the Mayor would need to replace her.

The Meeting of Directors began and Mr. Answini stated that there was a quorum of Directors. The Directors approved the 2021 minutes by a show of hands. Mr. Parish discussed the budget, noting that the funds amounted to \$196,000 and that income is limited, and that it cost \$9,000 to run the TSC each year and that the TSC would be voting to search for new auditors to lower that cost and also that there must by law be \$75,000 in reserve. The \$2 million contribution is expected but has not been received yet. There was a motion to adopt the budget.

The NYS Public Authorities Law requires an approval of the annual report. There were no questions and the Board approved the annual report.

Ms. Janowitz made a presentation about grantmaking, noting that the last round was 3 years ago for programs for paid training for non-performance professionals from underrepresented communities. When the pandemic arrived, there were 8 or 9 of the original 11 grant programs in place and there are still 6 of the programs operating today. Earlier grants provided seed money for the Public Theater's Public Works program and the merger of Pregones and the Puerto Rican Traveling Theater; these were successful and continue today, as does Signature Theatre's residency program and many others. The grants have had a longterm impact. Ms. Price asked about TSC-funded training programs at Theater Breaking Through Barriers and smaller theaters. Some of the programs are no longer in place but almost 250 theater professionals were trained and most are still working.

Mr. Answini turned to officer elections and explained that historically the DCP Director served as treasurer, Commissioner of Cultural Affairs was the CEO, Speaker served as Vice President and the Manhattan Borough President as secretary but there was nothing in the bylaws mandating that and suggested that the TSC continue with that system. Those positions were approved for those directors.

Mr. Answini asked Ms. Janowitz to leave so that her request for an increase in salary could be considered. Mr. Parish discussed her work history, that she started at \$110 per hour, later raised to \$150, and that she has asked for \$175 with the caveat that this would be her last round. Ms. Price wondered how many hours we expected and whether \$175 was enough. Mr. Parish thought that it would total \$30,000 in compensation for distributing the \$2 million contribution. Ms. Price hoped that she would keep in touch with the organization after departure. \$175 was approved.

Commissioner Cumbo then opened the meeting of the Audit Committee.

Mr. Parish made a presentation of the financial statements (audit materials). The auditor deemed the audit to be "clean" and there was very little spending. The auditor issued an observation that the TSC does not have directors and officers insurance and assumes that the TSC is under the City policy. The auditor said TSC should better document that.

Mr. Parish discussed switching auditors which needed to be done under state law. A motion was approved for a request for proposals for a new auditor.

Then there was a discussion of the Assessment of Internal Controls. Mr. Answini explained that the auditor's statement stated that the internal controls were deemed sufficient and there was a motion to adopt the Assessment of Internal Controls

Then the Audit Committee was adjourned.

The Governance Committee was opened. There was one item, the Confidential Evaluation of Board Performance required by the Public Authorities Act. Mr. Answini said that he would send a Google docs link for this survey.

The Governance Committee was adjourned.

The meeting of Directors was reopened.

Mr. Answini asked the TSC to adopt the procurement guidelines and investment guidelines, which the board did. Then he said it was time for the general discussion.

Director Garodnick said that he asked the DCP team to prepare a sheet with the future potential for revenue. He said that currently there was a total potential contribution amount of \$34.9M for the remaining sites in the Theater Subdistrict (Mr. Parish confirmed) and that no one knew when the contributions would be made. He asked the board whether there was thought of keeping the dollars to create an endowment generating its own revenue because the revenue will end eventually or perhaps doing private fundraising.

Ms. Price asked if there was possible to generate private funds. Mr. Parish said that TSC is a charitable organization so it could raise funds in that way. Commissioner Cumbo suggested that perhaps there could be brainstorming about this and also added that perhaps the funding could be reserved for an organization and required to keep the money as an endowment, so an organization could borrow against that endowment if there is proof of money coming at a later time. Director Garodnick agreed with this idea about a "swing fund" and he noted that the money would still dissipate but the recipients would at least have it. Mr. Hwang said that the part of the purpose of TSC is to disburse to help with diversity, so if the TSC help creates endowments that could be done, but he's not sure how to raise the money unless the fund somehow expanded.

Director Garodnick said that if the TSC would go down that path to ask for contributions then it needs more precision. He also thinks that sitting tight is acceptable, but the TSC needs to decide whether to hold, spend what it has, or see if it can complement with fundraising to ensure the grants. But the TSC needs to fine tune the message and where it would contribute.

Pres. Levin asked if there were enough receiving sites and Mr. Parish said yes but there are many "ifs". Pres. Levin said that if there was a steady state the TSC could keep projects going and have permanent staff for the TSC. To contribute to small non-profits but then tell them they could not spend would be very tough because they have no infrastructure to manage the funding in this way; it is better for the smaller non-profits to get funds over time from the TSC. Pres. Levin said that regarding getting private money, it would be hard for funders to donate because TSC must be seen as doing something more than passing checks. Our expertise could be what we contribute, especially the smaller arts organizations.

Commissioner Cumbo noted that many organizations supported by TSC have been very valuable for training arts professionals, where the money can seed skills far into the future and regenerate itself. But the TSC needs to be careful not to provide a lot of funds one year and nothing the next, it can create instability. Workforce development, a rainy-day fund, and keeping the disbursements steady were all worthy goals.

Ms. Price said that TSC can be responsive to shift of culture and it is satisfying to see the work and the endowments spoke of earlier are often available to more established organizations and it is good that the TSC can provide for organizations that don't have such benefits. Theaters are facing a cataclysm right now, and for the near term the TSC should use the next grant round to help organizations at the edge. In

the past the TSC has looked for innovation, although it was not prevalent. The TSC needs to recognize that some organizations need money as soon as we can get it but we should also try and have some stability, so the money doesn't just come in and go out.

Ms. Porcaro said that the TSC needed to hear from organizations who have survived the last two years to create a "lessons learned", to see if endowments or workforce investment would work.

Commissioner Cumbo said that there was never a good time for smaller organizations to create a rainy-day fund or an endowment but at what point is it needed at least to secure a loan? It is good to start small and good for the morale of the organization.

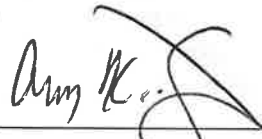
Director Garodnick, to summarize, said that if TSC spends the money it should be on workforce development or catalyzing grants that could spark a development; but could the TSC figure out how to make the funds grow? He suggested that this is modeled out for later discussion, but it is likely that the contribution from the Ambassador theater TDR would spur that discussion.

Mr. Answini suggested a mid-year meeting, perhaps in April after the money had been contributed, so the TSC could make some decisions. Commissioner Cumbo suggested a Zoom call in the interim to discuss how to spend the money, perhaps in consistent tranches. Mr. Answini suggested that TSC could meet but it would need to follow the NYS Open Meetings law.

Mr. Price suggested that we examine how grantmaking is done in the UK and other place with these types of grants.

With that, Commissioner Cumbo adjourned the meeting.

Signed:

 on behalf of  
Manhattan Borough President, Secretary  
Mark Levine

On:

May 23, 2024

Date