Building 4Equity

**FUNDING ALLOCATION RATIONALE**

**Why the $20 million total?**

* 4Culture’s board and staff examined all possible scenarios for the future lodging tax revenue stream and determined that the agency has capacity to accommodate a maximum of $2 million annual debt service after 2020, and a maximum of $20 million total for Building 4Equity.
* Based on historical operations, 4Culture has the internal capacity to efficiently and effectively administer $20 million in capital facilities funds across King County over the next two years; an estimated $10 million each year (2020-2021), Phases I and II.
* Cultural facilities need in the county far outstrips the $20 million request. Building 4Equity applicants in Phase I alone amounted to more than $17 million in requested funds.

**Phase I Allocations**

Phase I has three parts totaling $10 million:

**$1 million for Preservation Action Fund (PAF).** PAF’s funding allocation is a reduction from its 2018 allocation of $2 million, of which $1,400,000 remains. Historic preservation is a time and labor intensive program, requiring partner coordination and regulatory knowledge.

**$2 million for Equity Ramp-Up**. A new feature in the cultural facilities program, the Equity Ramp-Up is an education, learning, and mentoring program for organizations and groups serving marginalized communities. Because it is a new program, this allocation is an estimate for the program activities and the compensation to organizations for each stage of completion in the program.

**$7 million for response to immediate capital facilities need.** This amount is the remainder of the $10 million Phase I allocation. Though $10 million shy of the immediate need for applicants, it will provide significant funding to organizations needing to complete projects.

**Phase II Allocations**

**$10 million for cultural facilities.** Using a revised application and application process, 4Culture will review cultural facilities applications, which includes organizations and groups involved in the Equity Ramp-Up from Phase I. It will also explore creation of cultural spaces linked to transit-oriented development and unreinforced masonry remediation for existing cultural spaces.