

MEMORANDUM

LEGISLATIVE REFERENCE BUREAU

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To: Ald. Russell W. Stamper II

From: Lanore Hahn, Legislative Reference Bureau

Date: November 10, 2016

Subject: Sister City Organizations in Various Municipalities

This memo is in response to your request of September 23, 2016, regarding the different ways that municipalities structure and organize their Sister City programs, budget for travel and how programmatic efforts benefit the communities involved.

A survey of 14 cities was conducted, of which 11 municipalities responded. The survey was used to gather information about how other cities structure their Sister City programing and receive funding for programing.

Of the 11 municipalities surveyed, 8 sister city programs are run as 501(c)(3) organizations, 8 sister city programs receive some type of funding from city budgets, 5 programs have a separate committee for each sister relationship and all of the programs have at least one full-time paid staff with a portion of their job designated to sister city initiatives.

Austin, TX

The City of Austin has 13 Sister City Committees, staffed by volunteers from the community. The City of Austin Global Business Retention and Expansion Division within the Economic Development Department convenes the Austin Sister Cities International Group each month. This group is comprised of a chairperson from each Sister City Committee and a staff person from the Global Business Retention and Expansion Division. The staff person acts as a liaison and works with the Mayor's Office, elected officials and the Sister Cities International Group.

Funding from the City is allocated to the Global Business Retention and Expansion Division. This division oversees the Sister Cities budget. The budget is limited but does include some international travel funds to attend the Sister Cities International Conference.

The Global Business Retention and Expansion Division cites that benefits of the Sister City relationships include opportunities to present programming about the culture and history of all of its partnership countries to the community.

Birmingham, AL

The Sister Cities Program in Birmingham is a 501(c)(3) organization. The City provides funding, office space and in-kind staff support to this organization. Part of the program's funding is provided by fundraisers. The program is housed in the Mayor's Office under the Department of Economic Development.

There is one full-time staff and one intern that work for this program. There is also a Board of Directors and various committees that work to plan events and lead programmatic efforts.

The director of the program cites economic, cultural, artistic and education sector growth as benefits to the city. The Sister City program also operates Birmingham's EB-5 program. The EB-5 program is a federally-funded economic development initiative that provides incentives to foreign investors for making capital investments in U.S. markets. The EB-5 program benefits communities by attracting foreign investors that promise to create jobs and work to stimulate the local economy.

Charlotte, NC

The current structure of the Sister City Program in Charlotte is comprised of a city advisory board that operates with the support of the City of Charlotte Office of International Relations. The Charlotte International Cabinet, the official city advisory board, oversees international relations, including sister city initiatives. A community stakeholder meeting is convened by the International Cabinet every other month to discuss Sister City programing.

Grant funding is appropriated to Sister City projects through the Charlotte International Cabinet. The Office of International Relations is comprised of 2 full-time staff; however, Sister City initiatives and programing make up a small portion of these positions' responsibilities.

There is no travel budget for Sister City programing. International travel for elected officials can come out of their individual travel budgets or be sponsored for specific trips by private or corporate sponsors. Staff travel is also paid by the use of sponsorship. The transparency of the budget for international travel is high priority, and donors and the public are able to track and see all expenses and how they are paid.

Sister City relationships offer benefits to Charlotte exchange students, including assistance obtaining visas. Other benefits include the creation of stepping stones for mutual economic exchange and opportunity for small businesses in both cities to enter into the international marketplace. City-wide recognition of cultural exchange, educational exchange and citizen diplomacy are also mutual benefits, as well as governmental knowledge exchange.

Columbus, OH

The Sister City Program in Columbus is a 501(c)(3) organization that leases space for its office outside of City Hall. There are currently one full-time staff and one part-time office assistant that work there. There is also an active student and community volunteer effort. This year, the organization has received approval to hire a Program Director and one paid intern. There is an advisory board as well as three Sister City Committees as a part of the non-profit's structure.

Funding for the program is provided in part by the City of Columbus, Franklin County, the Columbus 2020 (a local economic development corporation) and contributions from global partners. Participation fees also make up part of the budget. There is a modest travel budget for the President of the non-profit. However, most of the funding for travel comes from fees that are charged for exchange services provided by the organization.

Columbus cites benefits of the Sister City programing as opportunities for business development, citizen diplomacy, exchanges in culture, education and expanded networks for both Columbus residents as well as the residents living in its sister cities.

Denver, CO

Denver Sister Cities International (DSCI) is a 501(c)(3) organization that is located in the Denver World Trade Center. The office is staffed by 1.6 FTE's. There is a director and a part-time office manager. Each sister city relationship has a committee that is staffed by volunteers from the community.

Forty-Five percent of funding is provided by the City of Denver, and the remainder of the budget comes from sponsorships, fundraising and program fees. Travel is covered by the fees for programing and sponsorships.

The Director of DSCI states that the most important resource that DSCI provides to the community is cultural connections. DSCI facilitates international educational exchanges, resource exchanges for connecting local start-ups to the global marketplace and government knowledge exchanges.

Fort Worth, TX

Fort Worth Sister Cities International is a 501(c)(3) organization that has an annual contract with the City that includes an annual budget of \$50,000 and office space in City Hall. Community donors, corporate sponsorship and fees for outbound exchanges provide the remainder of the budget needed to operate the program.

The organization is run by 5 full-time staff, a community board and an executive committee. Fees for exchange services are part of the travel budget, and corporate sponsorships are also used to pay for international travel.

Benefits that Fort Worth Sister Cities provides the community include providing travel to those who cannot afford it, bringing cultural events and celebrations to the city, connecting host families with international travelers, and training for business about cultural awareness. Benefits from the Sister Cities include professional development exchanges, municipal exchanges (best practices on water development and transportation), educational exchanges and international leadership academy exchanges. It is worth noting that Fort Worth Sister Cities also engages in humanitarian relief as a component of its partnerships.

Jacksonville, FL

The Jacksonville Sister Cities Association (JSCA) is a 501(c)(3) organization that is housed in the Office of Economic Development in City Hall. The organization is run and staffed by a volunteer Board of Directors. The City of Jacksonville Office of Economic Development provides a staff person who spends approximately half of a full-time position on JSCA duties.

There is also an Executive Board of Directors and a committee for each sister city relationship that is run by volunteers as well.

The City of Jacksonville contracts the services of the JSCA annually for \$10,000. The JSCA also receives funding through memberships and fundraisers and sets a budget each year. Part of the budget allocates funds for international travel.

The purpose of the JSCA program is the coordination of exchange programs of educators, business professionals and cultural and community leaders. The exchanges and cultural celebrations organized by the JSCA serve to promote economic development, cultural awareness and expansion of educational and health-focused initiatives.

Nashville, TN

The Sister Cities of Nashville is a 501(c)(3) organization that works closely with the Mayor's Office and the City's Office of Economic and Community Development. There is one full-time and one part-time staff that run the organization. There is also a board of directors and committees that form on an as-needed basis.

Funding for international travel includes one expense paid trip per year which is a part of the Executive Director's compensation package.

Benefits of the program include connection to the international community through the exchange of civic, educational, cultural and professional resources.

Portland, OR

There is a Sister City Alliance for each sister city relationship in Portland, and each alliance must form its own 501(c)(3) organization. Portland's Bureau of Government Relations oversees the Office of International Relations, located in Portland's City Hall. There are 2 full-time staff that make up the Office of International Relations and part of their responsibilities include facilitating relationships with all of the Sister City Alliances.

Each Sister City Alliance must raise funds for international travel expenses and financial stability. The City does not provide funding or financial assistance. The City does however provide access to City Hall space for board meetings, receptions of guests and annual ceremonies. The Office of International Relations does pay the yearly dues for membership to Sister Cities International.

It is up to each Sister City Alliance to determine how the relationship will be beneficial to Portland and the corresponding community. Each Alliance must file a yearly report that contains balance sheets on financials, a brief summary of the year's activities and a summary of next year's goals. These reports are then presented to the common council.

Seattle, WA

Each of Seattle's 21 sister city relationships is managed by an individual 501(c)(3) organization. The City of Seattle Office of Intergovernmental Relations provides nominal financial support and strategic guidance, and Seattle's International Affairs Director convenes meetings with all of the Seattle Sister City Association presidents and works to boost publicity, membership, and impact of Sister City activities.

Each Sister City Association has a president, a board, and a minimum of 30 members. There are over 3,000 volunteers supporting the Sister City Associations. The City of Seattle's International Affairs Director spends about 20% of her or his time supporting Sister City activities. Each Sister City Association has its own budget for Sister City activities and travel. The City of Seattle provides approximately \$44,000 in grants to the Sister City Associations each year.

The benefits of the Sister City Program in Seattle include opportunities to establish global connections that influence politics and the economy in both sister cities. Cultural exchanges in the form of festivals, events and ceremonies serve to provide community connection to the diverse populations living in Seattle and in the sister cities around the world. Humanitarian efforts are also a part of Seattle's international engagement with its sister cities. The relationships have direct impacts on improving education, jobs, the environment, tourism, and health for both cities involved in the mutual exchange of knowledge and information.

Sister City Programs' Structure and Funding

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CITY	ORGANIZATION	STRUCTURE	OFFICE	STAFFING	FUNDING
Austin, TX	Global Bus. Division	One committee for each sister city relationship	Dept. of Economic Development	1 full-time staff ²	City budget includes funding for the Global Business Retention and Expansion Division which oversees Sister City budget.
Birmingham, AL	501 (c)(3)	Board of directors & standing committees	Office of Economic Development	1 full-time staff 1 intern	City provides funding, office space and in-kind staff support to 501©(3)
Charlotte, NC	Office of Intl. Relations	The Charlotte International Cabinet acts as a board of directors	Dept. of Economic Development	2 full-time staff ²	Grant funding awarded to Sister City projects through Charlotte International Cabinet
Columbus, OH	501 (c)(3)	3 Sister City committees, board of directors & one executive board	Leases own office space	1 full-time staff 1 part-time staff	City, Franklin County and a local economic development corporation & contributions from global partners
Denver, CO	501 (c)(3)	One committee for each sister city relationship	Denver World Trade Center	1.6 FTE	45% City funded. Remaining balance from sponsorships, fundraising and program fees
Fort Worth, TX	501 (c)(3)	Board of directors & one executive committee	City Hall	5 full-time staff	Annual \$50,000 City funding. Remaining balance fromdonors, sponsorships & fees from outbound exchanges.
Jacksonville, FL	501 (c)(3)	One committee for each sister city relationship, board of directors and one executive board	Office of Economic Development	1 full-time staff ²	Annual \$10,000 City funding. Remaining balance from membership dues and fundraisers.
Nashville, TN	501 (c)(3)	Board of directors and standing committees	Leases own office space	1 full-time 1 part-time staff	N/A
Portland, OR	501 (c)(3) ¹	One alliance for each sister city relationship & Governance from the Office of International Relations	Leases own office space & City Hall	2 full-time staff ²	Fundraising by each Sister City Alliance
Seattle, WA	501 (c)(3) ¹	One committee for each sister city relationship & Governance from the Office of International Affairs	Leases own office space & City Hall	2 full-time staff ²	Annual \$44,000 City funding (grants)

¹A separate 501 (c)(3) is formed for every sister city relationship ² Percent of time spent coordinating Sister City Committees unknown