



STAFF REPORT ACTION REQUIRED

Toronto Arts Council Agreement Renewal

Date:	April 25, 2012
To:	Economic Development Committee
From:	General Manager, Economic Development and Culture
Wards:	All
Reference Number:	P:/2012/Cluster A/EDC/ECON DEV/May/ed1205-013

SUMMARY

The City entered into a formal agreement with the Toronto Cultural Advisory Corporation operating as the Toronto Arts Council (TAC) in 2002 and the agreement was renewed for another five year term commencing January 1, 2007. This report seeks authority for the City to extend the agreement with the TAC that expired on December 31, 2011 for a period of one year on the same terms and conditions.

As part of the 2012 Operating Budget, City Council extended the scope and time frame of the Mayor's Task Force on Arts and Theatres so as to work with city staff in preparing a report that includes in the scope of the review the capacity and resources of the Toronto Arts Council relative to other granting agencies. City Legal has advised that Council authority is required in order to extend the agreement with the Toronto Arts Council while the Mayor's Task Force completes its review.

The proposed one-year funding agreement being effective from January 1, 2012 to December 31, 2012 will allow for a continuing and structured link between the City and the Toronto Arts Council. It will enable planning and service delivery that offers an increased degree of stability, accountability to City Council, and sets out the City's terms and conditions. Specific requirements and deliverables from the TAC will be included in the formal agreement based on the nature of the arts and cultural services provided to the City, its residents and visitors to Toronto.

RECOMMENDATIONS

The General Manager of Economic Development and Culture recommends that:

1. City Council grant authority to extend the agreement with the Toronto Arts Council (TAC) for the administration and distribution of arts and culture funding on behalf of the City of Toronto that expired on December 31, 2011 for a period of one year on the same terms and conditions;
2. The agreement with the Toronto Arts Council (TAC) be subject to the satisfaction of the General Manager of Economic Development and Culture, the City Solicitor and the Deputy City Manager and Chief Financial Officer; and
3. The Toronto Arts Council (TAC) continues to submit its annual funding request through the City's annual operating budget process.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of this report beyond what has been approved in the 2012 Operating Budget.

Under the terms of the proposed agreement, the Toronto Arts Council (TAC) will be required to continue to submit its annual report and 2012 financial audit for review to the General Manager of Economic Development and Culture for approval.

The TAC has received annual funding through the City of Toronto Operating Budget. In 2012, the organization received \$10,279,470 in grant funding and \$1,234,070 in operating funding.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

The City entered into a formal agreement with the TAC in 2002 and the agreement was renewed for another five year term commencing January 1, 2007 and ending on December 31, 2011 with the same terms and conditions.

COMMENT

The Toronto Arts Council is a not for profit organization that is an arm's length body that uses a peer review process of grants adjudication by juries and committees to provide funding to local artists and not for profit arts and cultural organizations. Toronto Arts Council's volunteer board and committees are made up of artists, other arts professionals

and arts supporters. To guarantee accountability, City Council appoints up to five of its members to Toronto Arts Council's minimum 21 member board of directors.

The intent of the interim funding agreement effective from January 1, 2012 to December 31, 2012 is to define the purpose and benefits to the City of such funding and put in place processes that will achieve accountability to the City for the funding it provides. This report recommends that authority be granted to enter into a 12 month agreement with the TAC. The annual request in 2013 for funding amounts for the TAC will be subject to review and approval by City Council. Under the terms of the proposed agreement, the TAC will be required to submit an annual report and a financial audit for review and to submit its funding request to the General Manager of Economic Development and Culture during the City's Annual Operating Budget process, for recommendation and approval by City Council.

The proposed 12 month funding agreement will allow for a continuation of a structured link between the City and the TAC. It will enable planning and service delivery that offers a degree of stability; accountability to Council and sets out the City's terms and conditions. Specific requirements and deliverables from the TAC will be included in the agreement based on the nature of the arts and cultural services provided to the City, its residents and visitors to Toronto.

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SIGNATURE

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