



STAFF REPORT ACTION REQUIRED

Toronto Arts Council Agreement Renewal for 2013

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| Date: | January 9, 2013 |
| To: | Economic Development Committee |
| From: | General Manager Economic Development and Culture |
| Wards: | All |
| Reference Number: | P:/2013/Cluster A/EDC/ECON DEV/January/ed1301-002 |

SUMMARY

The purpose of this report is to request a one-year extension of the agreement between the City and the Toronto Cultural Advisory Corporation, operating as the Toronto Arts Council (TAC). The City entered into a formal agreement with the TAC in 2002. At its meeting of June 6, 2012, City Council approved the extension of the agreement for a period of one year commencing January 1, 2012 to December 31, 2012. The proposed one-year extension will be effective from January 1, 2013 to December 31, 2013, under the same terms and conditions.

The TAC has requested this one-year renewal in order to determine appropriate deliverables and performance measures before entering into a new, longer-term agreement with the City. The TAC will ensure that performance commitments are sustainable under a new agreement. In 2013, the City and the TAC will review and negotiate the terms and conditions of the new agreement to ensure that its operations, programs and service delivery model align with Cultural Services' overall mission, mandate and structure within the Economic Development and Culture Division.

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, 2012 for a period of one year on the same terms and conditions;

1. City Council direct that 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
2. City Council request the Toronto Arts Council (TAC) to continue 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 2013 Operating Budget.

Under the terms of the proposed agreement, the TAC will be required to continue to submit its annual report and 2013 financial audit to the General Manager of Economic Development and Culture for review.

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.

DECISION HISTORY

At its meeting of April 23, 2007, City Council renewed the formal agreement between the City of Toronto and Toronto Arts Council for the administration and distribution of arts and cultural funding for a five year term that ended December 31, 2011.

<http://www.toronto.ca/legdocs/mmis/2007/ed/minutes/2007-04-11-ed03-mn.pdf>.

At its meeting of June 6, 2012, City Council extended the same agreement for a one year term that ended December 31, 2012.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.ED14.5>

COMMENTS

The Toronto Arts Council is a not-for-profit organization 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 Councillors to Toronto Arts Council's minimum 21 member board of directors.

The intent of the interim funding agreement effective from January 1, 2013 to December 31, 2013 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. TAC will ensure that performance commitments are sustainable under a new agreement.

During 2013, the TAC and the City will review and negotiate the terms and conditions of the new agreement to ensure that its operations, programs and service delivery model align with Cultural Services' overall mission, mandate and structure within the Economic Development and Culture Division. As part of the 2012 renewal, City Council directed the General Manager, Economic Development and Culture to report to the Economic Development Committee on the best mechanisms to ensure appropriate recognition of the City of Toronto in its direct and indirect grants awards for arts and culture. Appropriate recognition of the City Toronto will be negotiated under the new agreement in 2013.

The annual request in 2014 for funding amounts for the TAC will be subject to review and approval by City Council. Under the current terms of the proposed agreement, TAC will still be required to submit an annual report and a financial audit for review. Its request for funding in 2014 will be made to the General Manager, Economic Development and Culture, during the City's Annual Operating Budget process, for recommendation and approval by City Council.

The proposed year-long extension of funding agreement between the City and TAC will allow for a continuation of established services to the arts and cultural community, residents, and visitors to Toronto. It will enable planning and service delivery that is stable, accountable, and defined by the terms and conditions of the agreement.

CONTACT

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SIGNATURE

Michael H. Williams
General Manager, Economic Development and Culture

ATTACHMENTS

Attachment 1 - Toronto Arts Council Agreement, 2002
Attachment 2 - Toronto Arts Council Renewal Agreement, 2007