

Major Cultural Organizations 2018 Allocations

Date: April 23, 2018

To: Economic Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

This report recommends allocations to eleven not-for-profit organizations that have applied for funding through the Major Cultural Organizations (MCO) program administered by the Economic Development and Culture Division (EDC) for 2018. Recipient organizations deliver unique cultural programming that strengthens Toronto's economy, liveability, and international profile. These organizations have significant social and economic impact: they attract visitors, lead community initiatives and are critical elements of Toronto's position as an international cultural tourism destination.

The total program funding available for these allocations is \$9,230,235 as approved by City Council as part of the 2018 Operating Budget. Allocation recommendations presented in this report are based on the review by Economic Development and Culture Division's Arts and Culture Services staff and an external peer advisory panel. All recipients are subject to the City of Toronto's Community Grants Policy.

RECOMMENDATIONS

The General Manager of Economic Development and Culture recommends that:

1. City Council approve the allocations of Major Cultural Organizations program funding of \$9,230,235 in 2018 to the following organizations:

Organization	Amount
Art Gallery of Ontario	\$ 684,000
Canada's National Ballet School	\$ 225,000
Canadian Opera Company	\$ 1,500,000
Festival Management Committee (Toronto Caribbean Carnival)	\$ 625,000

Organization	Amount
Harbourfront Centre	\$ 1,315,500
National Ballet of Canada	\$ 1,390,000
Pride Toronto	\$ 260,000
Toronto Artscape Inc.	\$ 415,000
Toronto Festival of Arts, Culture and Creativity (Luminato)	\$ 400,000
Toronto International Film Festival Inc.	\$ 1,195,735
Toronto Symphony Orchestra	\$ 1,220,000
TOTAL	\$ 9,230,235

2. City Council approve the balance of the 2018 instalment payments to the Art Gallery of Ontario, Canadian Opera Company, Festival Management Committee, Harbourfront Centre, National Ballet of Canada, Toronto Artscape Inc., Toronto International Film Festival Inc., and Toronto Symphony Orchestra be made as one payment following the adoption of the recommended allocations by City Council, and that monthly instalments to these organizations resume in January 2019.

3. City Council authorize the General Manager, Economic Development and Culture, to enter into a contribution agreement with Harbourfront Centre, subject to the satisfaction of the City Solicitor and the Interim Chief Financial Officer, to govern the use of program funds.

FINANCIAL IMPACT

This report recommends the allocation of program funding for the Major Cultural Organizations Program to the 11 above-mentioned cultural organizations.

There is no additional financial impact in 2018. Funding of \$9,230,235 for the Major Cultural Organizations program was included in the 2018 Approved Operating Budget for the Economic Development and Culture Division.

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

DECISION HISTORY

Through Clause No. 3, Report No. 24 of the Strategic Policies and Priorities Committee, adopted by City Council at its meeting held on November 25, 26 and 27, 1998, the City established the role of Toronto's Cultural Services in the delivery of funding in the Arts and Culture category for Major Cultural Organizations.

<http://www.toronto.ca/legdocs/minutes/council/appa/cc981125/sp24rpt.htm>

On November 3, 2015, City Council adopted revisions to the Major Cultural Organizations program to update eligibility and assessment criteria, increase the clarity and transparency of the program and ensure continued relevance of the program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.ED7.2>

At its meeting of March 28, and 29, 2017, City Council approved an extension of the contribution agreement to Harbourfront Centre, and called for a streamlined funding relationship.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED19.8>

In May 2017, City Council directed the City Manager to develop a consistent policy to guide the waiving of permit and in-kind service fees for festivals and events by Agencies and Divisions, and to report back to Council through the Economic Development Committee on the policy. Council also directed that details of in-kind or billed services by City Divisions and Agencies be included in future reports to Council concerning the approval of grants to Major Cultural Organizations.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED21.5>

At its meeting of January 23, 2018, City Council approved the 2018 Operating Budget for Economic Development and Culture, which included funding for the Major Cultural Organizations program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.BU41.1>

At its meeting of January 31, 2018, City Council approved the one-year extension of Contribution Agreements to existing program funding recipients to December 31, 2018.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED25.3>

COMMENTS

Economic Development and Culture staff reviewed the applications received by the March 1, 2018 deadline and requested additional information where clarifications were required. All applications were assessed by staff for adherence to program guidelines. Staff assessments were guided by the Major Cultural Organizations program criteria that were updated in 2018 to emphasize public impact along with cultural merit, organizational resiliency and financial management. An external peer advisory panel was asked to assess each of the applications based on the quality of the programming, community service, cultural and economic impact, financial management and governance. The peer advisory panel was also asked to prioritize the organizations for funding and to identify long-term issues and trends. These rankings and the advice of

the peer advisory panel were taken into consideration in determining the recommended allocations.

Advisors were selected to represent a broad base of experience and expertise and a general knowledge of the cultural sector. The 2018 external advisory panel for the MCO program was comprised of: Gideon Arthurs (CEO, National Theatre School of Canada); Jackie Maxwell (Theatre Director and Dramaturge and former Artistic Director of the Shaw Festival); Kerry Swanson (Indigenous Art Consultant and Project Manager); and Sadia Zaman (Managing Director, Royal Ontario Museum Canada).

Since January 2018, monthly instalments have been paid to each recipient based on the 2017 approved funding. Upon approval of this report, the remaining balances at that time will be paid to each recipient as lump sums. In order to meet operational demands of the cultural organizations included in this funding program, it is recommended that pro rata monthly instalments continue to be processed beginning in January 2019.

Summary of Grant Recommendations:

Organization	2017 allocation	2018 allocation (recommended)	\$ Change in allocation	Percent change in funding
Art Gallery of Ontario	\$684,000	\$684,000	0	
Canada's National Ballet School	\$200,000	\$225,000	\$25,000	12.5%
Canadian Opera Company	\$1,600,000	\$1,500,000	(\$100,000)	(6.25%)
Festival Management Committee (Toronto Caribbean Carnival)	\$625,000	\$625,000	0	-
Harbourfront Centre	*	\$1,315,500	0	**
National Ballet of Canada	\$1,320,000	\$1,390,000	\$70,000	5.3%
Pride Toronto	\$260,000	\$260,000	0	-
Toronto Artscape Inc.	\$415,000	\$415,000	0	-
Toronto Festival of Arts, Culture and Creativity (Luminato)	\$400,000	\$400,000	0	-

Organization	2017 allocation	2018 allocation (recommended)	\$ Change in allocation	Percent change in funding
Toronto International Film Festival Inc.	\$1,140,695	\$1,195,735	\$55,040	4.83%
Toronto Symphony Orchestra	\$1,270,000	\$1,220,000	(\$50,000)	(3.94%)
TOTAL	\$7,914,695	\$9,230,235	N/A	N/A

* In 2017, Harbourfront Centre funding from the City of Toronto was \$1,065,000, composed of a \$750,000 grant from Real Estate Services, a \$290,000 operating grant from the Toronto Arts Council, and a \$25,000 grant from EDC's Arts Services.

** The increase in City of Toronto funding to Harbourfront from 2017 to 2018 is 23.5%, as directed by City Council in approving the 2018 Operating Budget, which included an increase of \$250,000 in the City's funding to the Harbourfront Centre to be delivered through the MCO program.

In-Kind Services to Major Cultural Organizations

The City of Toronto also provides in-kind support for festivals and events produced by the Major Cultural Organizations in recognition of their substantial economic, tourism and cultural impact. This in-kind support includes the waiving of fees for event permits and other municipal services required to produce a safe and successful event. The level and nature of in-kind support varies depending on the size and requirements of each event.

Services received in-kind by the Major Cultural Organizations in 2017 are detailed in the table below. In-kind services were only received by MCOs that produce festivals and events. Other organizations with different programming did not report receiving any services in-kind from the City of Toronto.

The 2018 funding cycle is the first year that includes the Harbourfront Centre, so tracking of the organization's in-kind services will begin in 2018 to be reported to Council in 2019.

In May 2017, City Council directed the City Manager to develop a consistent policy to guide the waiving of permit and in-kind service fees for festivals and events by Agencies and Divisions. Work is currently underway to develop a new policy and staff expect to report back to Council through the Economic Development Committee in 2019.

Organization	In-Kind services provided by City of Toronto
Festival Management Committee (Toronto Caribbean Carnival)	Festival Management Committee reports the following services were received in-kind in 2017: garbage and waste management, City staff assistance with road closures and creating an emergency plan, waived fees for venue space, and assistance in planning and reducing fees for transportation, including the TTC. Festival Management Committee estimates the total value for these services at \$107,729.
Pride Toronto	Pride Toronto reports the following services were received in-kind in 2017: parade route barricades, solid waste management services, policing, Emergency Medical Services and Fire Services. Pride estimates the value of these services at \$120,000.
Toronto Festival of Arts, Culture and Creativity (Luminato)	Luminato reports that City of Toronto staff provide assistance with permits for event and street closures, on site coordination and planning assistance for outdoor activities, and Luminato pays all applicable fees. Similar to other community groups, Luminato does not pay for the use of public parks such as David Pecaut Square. Luminato pays for all costs associated with security, electrical, grounds keeping and custodial.
Toronto International Film Festival Inc.	TIFF reports receiving in-kind services for street and vehicle permitting during the Toronto International Film Festival and for Festival Street; waived charges for parking meters in permit areas; provision of additional garbage cans and service during festival; and use of David Pecaut Square for Festival and red carpet.

The use of funding to all recipients of the Major Cultural Organizations program is governed through Contribution Agreements executed with each organization. Council approved the one-year extension of these existing agreements in January 31, 2018, to expire December 31, 2018. Because Harbourfront Centre was not funded through this program, it does not have a current Contribution Agreement. Its former funding agreement with the City expired March 31, 2018. Therefore, staff seek authority to enter into a new agreement with Harbourfront Centre with terms and conditions similar to those of other organizations and expiring at the same time, December 31, 2018.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment No. 1: Summary of 2018 MCO Recipient Organizations