

Consolidated Clause from Report No. 14 of the Policy and Finance Committee, as adopted by the Council of the City of Toronto at its regular meeting held on November 26, 27 and 28, 2002.

12a**Enhancement of the City of Toronto's Art Collection
(All Wards)**

(City Council at its regular meeting held on November 26, 27 and 28, 2002, amended this Clause by adding thereto the following:

“It is further recommended that:

- (1) City Council endorse the inclusion of \$100,000.00 in the City of Toronto Operating Budget each year, commencing in 2003, such funds to be dedicated for the Art Collection Reserve Fund, and this recommendation be forwarded to the Budget Advisory Committee for consideration with the 2003 Operating Budget;*
- (2) in developing the percentage of contributions for art policies under the Official Plan, a small surcharge as a contribution to the Art Collection Reserve Fund be considered, and the Chief Financial Officer and Treasurer be requested to submit a report thereon to the Planning and Transportation Committee and the Economic Development and Parks Committee; and*
- (3) the Commissioner of Economic Development, Culture and Tourism be requested to submit reports to the Economic Development and Parks Committee on:
 - (a) a public art strategy that enhances funding opportunities and private sector collaboration; and*
 - (b) initiatives to encourage the citizens of the City of Toronto to donate works of art to the City.”)**

(City Council on October 29, 30 and 31, 2002, deferred consideration of this Clause to the next regular meeting of City Council scheduled to be held on November 26, 2002.)

The Policy and Finance Committee recommends the adoption of the Recommendation of the Economic Development and Parks Committee embodied in the following communication (October 11, 2002) from the City Clerk:

Recommendation:

The Economic Development and Parks Committee recommended to the Policy and Finance Committee, and Council, the adoption of the joint report (September 20, 2002) from the

Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer.

Background:

The Economic Development and Parks Committee at its meeting held on October 10, 2002, had before it a joint report (September 20, 2002) from the Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer, reporting, as requested by Council at its June 18, 19 and 20, 2002 meeting, on a strategy for the ongoing enhancement of the City's Art Collection and to establish a City of Toronto Art Collection Reserve Fund; and submitting recommendations in regard thereto.

(Joint report dated September 20, 2002, addressed to the
Economic Development and Parks Committee from
the Commissioner of Economic Development, Culture and Tourism
and the Chief Financial Officer and Treasurer)

Purpose:

To propose a strategy for the ongoing enhancement of the City's Art Collection and to establish a City of Toronto Art Collection Reserve Fund as requested by Council at its June 18, 19 and 20, 2002 meeting.

Financial Implications and Impact Statement:

There are no direct financial implications to this report. The report proposes to transfer funds from, and close, two legacy discretionary reserve funds to create a new obligatory reserve fund for art acquisition.

The new fund would be used to attract cash donations or contributions from individuals, community organizations, sponsors and private developers to strategically enhance the City of Toronto's art collection through third party participation.

Recommendations:

It is recommended that:

- (1) Council establish an obligatory reserve called the "Art Collection Reserve Fund" for the purpose of providing funding for the acquisition of art for the City of Toronto art collection;
- (2) the Art Acquisition Reserve Fund (Etobicoke) and Art Acquisition Reserve Fund (North York) be closed and the balance of both reserve funds be transferred to the Art Collection Reserve Fund;

- (3) Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the “Art Acquisition Reserve Fund” to Schedule ‘B3’- donated funds and by deleting Art Acquisition Reserve Fund (Etobicoke)” from Schedule ‘C’ discretionary and “Art Acquisition Reserve Fund (North York)” from Schedule ‘B’ discretionary;
- (4) the City actively seek donations and contributions from individuals, funding bodies and the private sector for the reserve fund;
- (5) the report be forwarded to the Policy and Finance Committee for consideration; and
- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Background:

At the June 18,19, 20, 2002, meeting of Council, the following motion was approved in relation to the Culture Division report “City of Toronto Art Collection Management Policy and Historical Collection Management and Development Policies”:

“It is further recommended that the following motion be referred to the Chief Financial Officer and Treasurer and the Commissioner of Economic Development, Culture and Tourism for report thereon to the Economic Development and Parks Committee, such report to address the development of a strategy for ongoing enhancement of the City of Toronto’s art collection.”

Moved by Councillor Moscoe:

“It is recommended that the City art collection apply for an annual major cultural grant approximately equivalent to grants provided to each of the ‘Big 5’ cultural organizations, for the acquisition of art for the City of Toronto’s permanent art collection.”

Comments:

The City of Toronto has an extensive collection of fine art that reflects its cultural life and provides valuable information on our urban environment. Support of the visual arts through exhibitions and collecting by our municipal government is noted as early as 1847. The City of Toronto purchased its first art work in 1851. Throughout the 19th and 20th centuries and up to the amalgamation of Toronto in 1998, the art collections of all the former municipalities benefited from the support of their councils, volunteers and the public through donations, commissions and purchases. Based on the rich and varied collections that have come together, the City of Toronto can be proud of its cultural legacy in the visual arts which reflects the art, culture and history of Toronto.

During the 1980’s, approximately \$50,000.00 annually, was allocated by Council in the former City of Toronto to invest in art. Taking into account the funds allocated for art purchases in the other former cities the annual total was close to \$60,000.00 per year. Over the years, budget

constraints reduced the amount of money that could be allocated in annual operating budgets to purchase works of art to the point that currently the Culture Division spends less than \$1,500.00 on art acquisitions. These funds are directed to three City-supported juried exhibitions for Purchase Awards, including the Toronto Outdoor Art Exhibition, Art at the Heart and the Scarborough Arts Council Annual Juried Exhibition, in keeping with commitments established prior to amalgamation. Although small remnant reserve accounts from former Etobicoke and North York still exist, enhancement of the collection has increasingly relied on the generosity of public spirited donors who wish to give works of art to the City. In order to build on the cultural legacy inherited from the former municipalities and to complement what is currently in the collection, some ongoing investment is required, in addition to the public's donation of art.

The City's Cultural Grants program was established to support outside organizations and as such it would not be appropriate for the City to apply to this program for art acquisition. Instead of a grant, the same result could be achieved more simply by allocating funds to the Culture Division's operating budget. However, the current financial climate makes this difficult to achieve.

The funds in the Etobicoke and North York reserve accounts, totalling approximately \$22,000.00, are intended for the purchase of art. They could be the base on which to build an Art Collection Reserve Fund for the amalgamated City. Eventually, as this reserve grows, it would permit the City to add significant pieces that contribute to telling the Toronto story through art and that come up for sale at auctions, art exhibitions or galleries. In addition, the funds from the reserve would be used to lever grants, sponsorships and other opportunities to obtain 'matching' funds from other institutions or agencies for art acquisitions.

The proposed Art Collection Reserve Fund would be set up to accept cash donations or contributions from individuals, community organizations, sponsors and private developers. Through these means there is potential to achieve a sizeable fund to strategically enhance the collection. As well, the Culture Division would continue to solicit donations of art to the collection, which today includes over 2,500 paintings, watercolours, limited edition prints and small moveable sculptures. Donations of cash or gifts of art may be eligible for the issuance of an income tax receipt from the City to the donor pursuant to the policy for Donations of Cash or Gifts in Kind.

It is being recommended that the two reserve funds noted above be collapsed and their remaining balances be transferred to a new obligatory reserve fund called the Art Collection Reserve Fund, which reserve fund will have the following attributes:

(a) Owner:

The Culture Division of the Economic Development Culture and Tourism Department.

(b) Purpose:

To provide funding for the acquisition of art for the City of Toronto art collection.

(c) Appropriate Level to be maintained in the account:

The target is \$100,000.00.

(d) Initial Contribution:

The balance in the accounts of the Art Acquisition Reserve Fund (Etobicoke) and Art Acquisition Reserve Fund (North York) be transferred to the Art Collection Reserve Fund.

(e) Contribution Policy:

Any donations and contributions to the City from individuals, funding bodies and the private sector for the purposes of art acquisition will be deposited into this reserve fund.

(f) Withdrawal Policy:

Funds will be withdrawn as recommended by Council as part of the Budget process.

(g) Review Cycle:

The parameters of this fund including its continuation would be reviewed in five years.

Conclusion:

A municipal art collection contributes to the development of a sense of identity in a community. The objective of developing the City of Toronto's art collection is to support the arts and present a history of the art and culture of our society by acquiring, documenting, preserving, interpreting and exhibiting works of art. The City of Toronto has a strong tradition of art acquisitions dating back to 1851 when Council purchased its first art work for 15 pounds. This report supports that tradition and proposes a strategy that will ensure the ongoing enhancement of the City's art collection.

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