

## City Council

### Notice of Motion

MM24.19	ACTION			Ward: All
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### **Research Support for Arts and Cultural Organizations Related to Use of Space - by Councillor Ana Bailão, seconded by Councillor Joe Cressy**

*\* Notice of this Motion has been given.*

*\* This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.*

### **Recommendations**

Councillor Ana Bailão, seconded by Councillor Joe Cressy, recommends that:

1. City Council request the General Manager, Economic Development and Culture, in consultation with the Chief Financial Officer and Treasurer, the City Solicitor, the Executive Director, Corporate Real Estate Management and any other City staff deemed appropriate, to research and report back to the Budget Committee as part of the 2021 Budget process on:
  - a. cultural animation as a component of retail recovery programs run in partnerships with Business Improvement Areas to support neighbourhood economic development; and
  - b. a cost benefit analysis and the legal feasibility of creating new tools such as a rent relief fund or a property tax rebate program to assist arts organizations and cultural enterprises sustain or access affordable spaces.

### **Summary**

The impacts of the COVID-19 pandemic have heavily impacted both the arts and culture sector and main street retail in Toronto. In response, the City has taken measures such as the expansion of the Creative Co-Location Facilities Property Tax Subclasses to include live music venues to provide property tax relief, the expansion of Digital Main Street and introduction of ShopHere. This has sparked interest in City support from other creative sector stakeholders dealing with the impacts of COVID-19.

The City recognizes that COVID-19 has exacerbated longstanding issues in Toronto that challenged the viability of cultural enterprises, including rising property rental costs. Organizations that rely on re public gatherings to generate income, such as live music, performing arts, and comedy venues, have been particularly hard hit. Cultural enterprises such as local, independent bookstores, commercial dance studios, and commercial art galleries have been struggling for years with affordability issues, and have had their viability drastically reduced during the pandemic. At the same time, main street retail properties are seeing a

significant increase in vacancies due to the dormancy or failure of main street businesses. Given the critical role that cultural businesses and organizations play in the vitality and liveability of Toronto, the City seeks to ensure that independent, cultural businesses receive targeted support to enable them to survive the pandemic and ultimately contribute to the City's economic and social recovery.

In the short-term, in order to stimulate economic and cultural activity on main streets, this Motion proposes that City staff work with Business Improvement Areas to assess the role of retail recovery programs in supporting cultural animation with the potential to provide neighbourhood economic development. The motion proposes research into schemes that encourage landlords to allow temporary use of their vacant properties by artists and cultural organizations through short term leases. The goal is to animate main streets, provide affordable space to artists who currently have little to no income, and assist in social and economic recovery efforts. Other cities such as Seattle, Washington; and London, England, have implemented similar schemes for pop-up spaces and "meanwhile leases" to benefit both landlords and arts and culture groups.

In the longer term and given the severity of the impacts of COVID-19, the City seeks to ensure that independent, cultural businesses are able to be sustainable. Affordability and sustainability of cultural space remains a key concern of the sector. Incentives to assist the temporary and long-term use of vacant space may contribute to the cultural sector's resilience. One potential tool could be a property tax rebate program for cultural enterprises. Research to determine the viability and impact of these incentives is required before any implementation.

## **Background Information (City Council)**

Member Motion MM24.19