

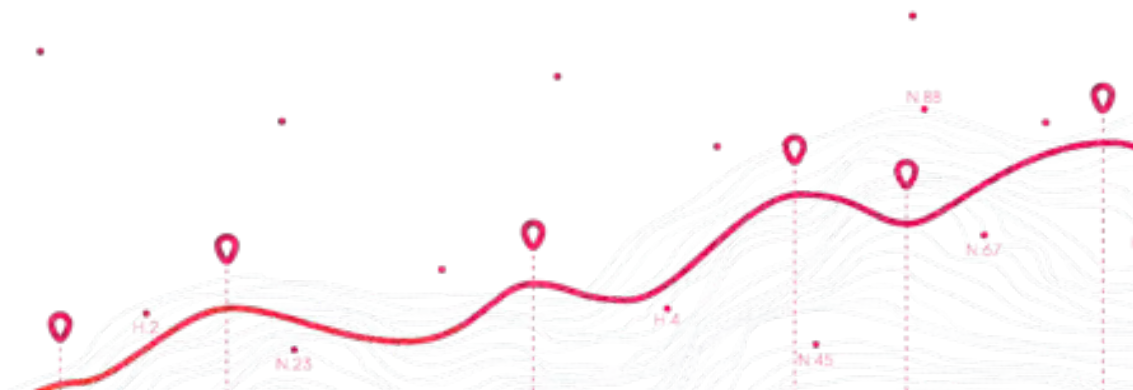


Planning and Priorities Committee

Situation Analysis, SWOT and Success Workshop

June 23, 2021

AMS
PLANNING
& RESEARCH



Agenda

- I. Introductions
- II. Process
- III. Situation Analysis Report / SWOT
- IV. Defining Success Exercise
- V. Next Steps

Meeting Outcomes

- Share Initial Observations
- SWOT Assessment
- Define Success



Founded in the belief that arts, culture and entertainment enhance people's daily lives and the communities in which they live.



Meet the AMS Team



Steven Wolff
Principal/
Thought Partner



Michele Walter
Managing
Director/Project
Advisor and
resource



Lynette Turner
Sr. Associate/
Project Manager



Kristian Otten
Consultant and
Research Lead

Project Plan



Assessment of Current State



- ✓ Background Review
- ✓ Environmental Scan and Competitive Venues
- ✓ Business Context
- ✓ Key Informant Interview
- Internal Alignment Survey
- SWOT Analysis and Defining Success Workshop

We are here

Assets and Opportunities



Defining Success- A Vision of the Future

External Interviews

Industry Trends and Best Practices

Organizational Change

Strategic Framework



Defining the Goals

Future Scenario (s)

Objectives and Strategies

Recommendation and Implementation

Final Workshop & Presentation

Monitoring



Monitoring strategic plan process

Internal Stakeholder Interviews

I n t e r v i e w e e s

Board

Citizen Members:

- Robert Foster, Chair
- Mustafa Humayun
- Owais Lightwala
- Gabriel Michaan
- Kathleen Sharpe
- Paul Bernards
- Gillian Smith
- Myriam Gafarou
- Kevin Garland
- Dawn Maracle (in progress)

City Councillors:

- Gary Crawford, Vice Chair
- Kristyn Wong-Tam
- John Filion

Staff

- Clyde Wagner, CEO
- Sandra Bellisario, VP Development
- Matt Farrell, VP Operations
- Leslie Lester, VP STLC Redevelopment
- William Milne, VP Finance
- Josephine Ridge, VP Programming
- Jeff Rohrer, VP Marketing and Communications

Vision

**Building a
better city
through
the arts.**

Mission

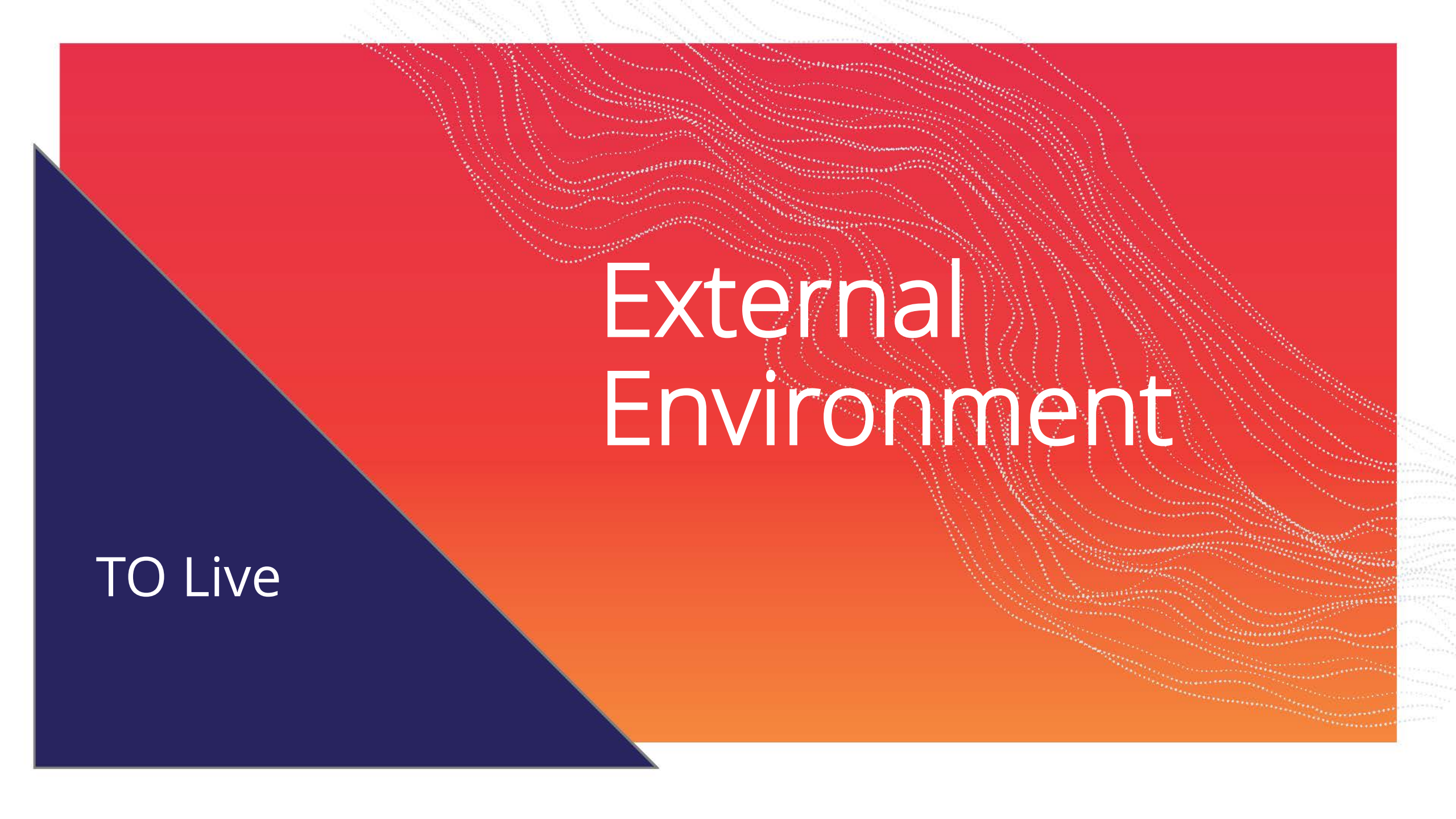
TO Live believes that the arts are crucial to create healthy, vibrant, and engaged diverse communities. TO Live strives for excellence in everything that we do. We are stewards of landmark city theatres and activate our spaces through programming and rentals. We are a creative hub for audiences, artists, and all those who work for us.

Core Values

- DIVERSITY AND INCLUSION: We foster a sense of belonging in everything we do. We strive to be an anti-racist organization.
- INNOVATIVE: We are unafraid to experiment and to push the boundaries of creativity.
- EXCELLENCE: We strive to be the best in class in all we do.
- ACCOUNTABILITY: We value responsibility and take ownership of our work and actions.
- ADAPTABLE: We see opportunity in embracing our changing world.
- COMMUNITY-MINDED: We listen to and are responsive to the people and groups we serve.

TO Live SWOT

STRENGTHS	WEAKNESSES
OPPORTUNITIES	THREATS



External Environment

TO Live

Findings

A growing and diverse marketplace progressively met with growing competition in the entertainment space

- **Wide variety of venue types** in the city of Toronto (music halls, exhibition places, cultural centers)
 - Growing competition from new or planned venues
- Surrounding municipalities typically have one large PAC
 - Potential impact on access to content
 - Balance of local venues exist as part of community centers
- The region is **known for its diversity** and as a home for immigrants
- **Strong economic and job growth projections**, with an economy driven by the financial sector

Interview Perceptions

Interviewees
cite
opportunities
and threats

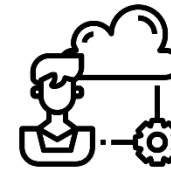
- **Community**
 - Awareness of TO Live is limited
 - Deepen community engagement
 - Desire to engage with smaller organizations
- **The City**
 - City bureaucracy can be challenging
 - Concern about potential change in city leadership
 - TO Live identity tied to City of Toronto seen as positive and negative
- **Competition**
 - Increased venue competition is troubling
- **Partnerships**
 - Nurture and increase partnerships and develop stronger, deeper connections and 'ownership'

Environmental Scan

Multiple
'lenses' give us
insight into
the forces
impacting TO
Live



Anchor Arts &
Culture
Institutions



Marketplace



Corporate /
Workplace
Environment



City Support,
Plans & Priorities

Study Area



Towns Included:

- Toronto – pop. 3M
- Mississauga – pop. 828k
- Brampton - pop. 603k
- Burlington – pop. 205k
- St. Catharines – pop. 140k

Marketplace

Toronto and Mississauga have the largest concentration of venues

104

Regional venues examined

8 in 10

Venues under 1,000 seats

3 in 4

Venues consider rentals a primary source of earned income

A diverse marketplace with lots of competition

(video link in presentation)

KEY COMPETITORS ALSO HOST RESIDENTS AND TOURS



Annual Expenses (2019)	\$31.4 million (2019)	Not available	\$23.4 million	\$12.4 million	\$8.2 million	\$5.6 million
Venues (capacity)	MH: 3,191 SLC: 868; 499 MAC: 1,036; 574; 296; 183; 150	2,200 2,000 1,244 770 300 210 199	2,752 2,630	1,561 992	1,315 400	770 500 300 210
Operator	City of Toronto	Mirvish Productions	Massey Hall and Roy Thomson Hall	Ontario Heritage Trust	City of Mississauga	City of St. Catharines / Brock University
Programs	Resident companies, concerts, theatre, dance, events, comedy	Broadway theatre	Concerts, corporate meetings, community events, film shoots	Plays, opera, concerts, Toronto International Film Festival	Resident companies, concerts, theatre, dance	Resident companies, university programming, concerts

Venues Under Construction

Renovations and new venues coming online shortly, presenting new and renewed competition for entertainment dollars

History Toronto



2,500 capacity venue situated in the heart of the Beaches neighborhood at 1663 Queen Street East. Expected completion Summer 2021.

Purpose: to host 200 concerts, live entertainment, or galas annually.

Massey Hall:

will become part of a multi-stage music complex; closed since 2018 and aiming for 2021 reopening

Clark Centre for the Arts:

new multipurpose facility will house art studios and be home to creative programs for residents and visitors; Opening 2022

Sports

Established sports market represents competition for entertainment dollars

Existing and Growing Sports Market



Toronto FC



A new \$500M, 7,000-seat entertainment facility is slated to be erected on the Exhibition grounds in Toronto, with an expected completion date of 2025.

Purpose: home to OverActive Media's esports teams

Toronto Arts Council (TAC)

Toronto is home to a wide array of arts organizations and artists

\$18.7m

awarded in grants

\$274m

raised by TAC grant recipients

\$6.45

granted to the arts per Toronto resident

495

organizations and collectives funded, in addition to 407 individuals

19,500

artists paid through TAC funded organizations and projects

35%

new applicant awards (320)

Toronto Arts Council (TAC)

Toronto
Economic
Development
and Culture, as
well as TAC
priorities,
provide
additional
context

- **New Investment:** realizing the potential of Toronto's artists and arts organizations
- **Strong Partnerships:** extend opportunities, reach and profile of Toronto artists
- **Urban Leadership:** speak with a compelling voice for a creative, equitable and thriving city
- **Responsive Granting:** reflect the city, embrace technology and build on success
- Also...
 - City Covid-19 Impacts & Opportunities

Arts and Culture is an economic driver for Ontario

And, Toronto is home to 2x as many artists as any other Canadian City

\$26.7b

Contributed to Ontario GDP by the arts and culture sector

300,000

Ontario residents work in the arts and culture sector

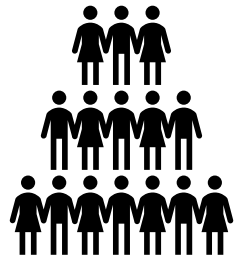


ONTARIO ARTS COUNCIL CONSEIL DES ARTS DE L'ONTARIO

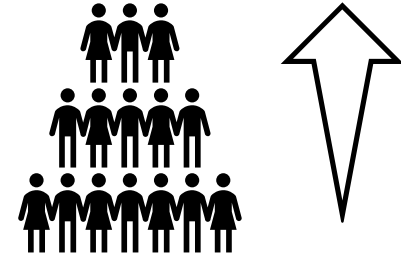
an Ontario government agency
un organisme du gouvernement de l'Ontario

Toronto Demographics

A growing and
very diverse
marketplace



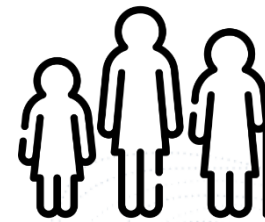
3 million residents (6.2m
Toronto urban area)



10-year growth projection of
13% (3.5 million)



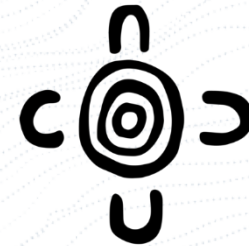
49.5% of residents
are immigrants



Median age of 39.3



52% visible minorities, many from
south and east Asia

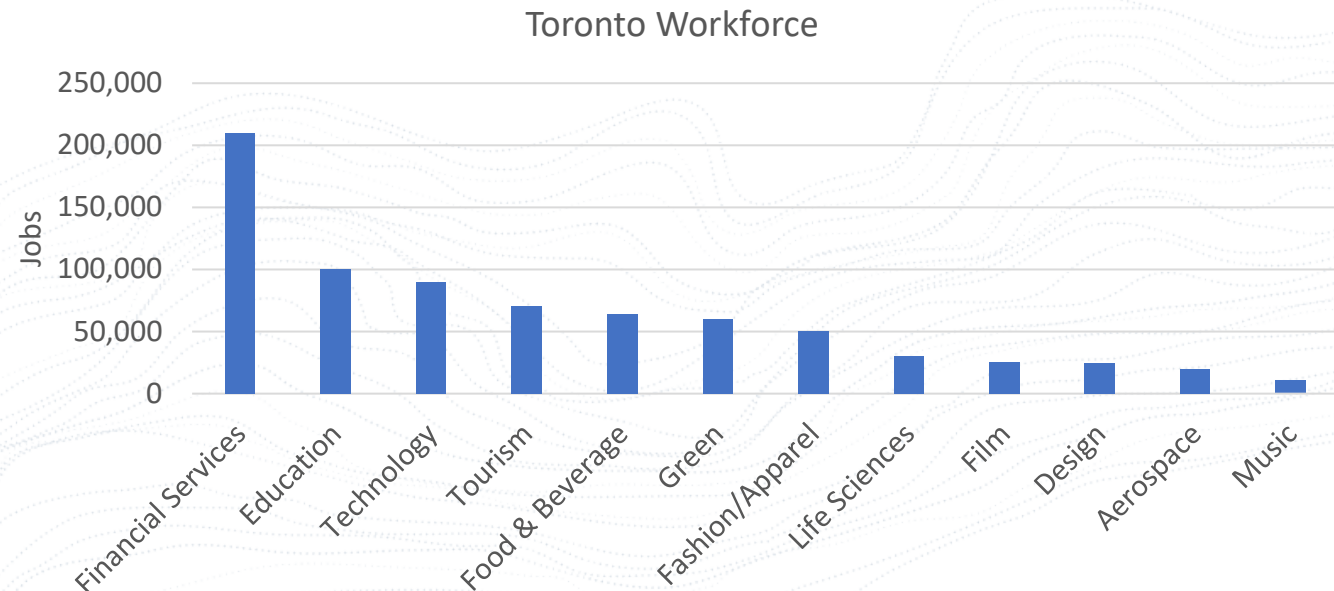


4th largest indigenous
population in Canada
(46,000+)

Toronto workforce development

The financial
services sector
continues to
drive Toronto's
job
marketplace

- The Growth Plan (2019) forecasts 1,720,000 jobs in the City of Toronto by 2041
- 2.4% GDP growth rate (versus national rate of 1.8%)
- Second largest financial centre in North America (behind NYC), serving as an engine for economic growth



Corporate

Corporate financial and media sponsors for the Toronto Arts Council are indicative of a larger body of corporate support for the arts



5/29/18: Toronto Arts Council and TD Bank Partnership: supporting programs including *Making a Living Making Art*, *TD Community Arts Award*, and the *Emergence Symposium*

Findings

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 - Potential impact on access to content
 - Balance of local venues exist as part of community centers
- The region is **known for its diversity** and as a home for immigrants
- **Strong economic and job growth projections**, with an economy driven by the financial sector

What does the external environment suggest?

KEY QUESTIONS What are the possible ways for TO Live to further align with the priorities of the City? How does TO Live best embrace a growing Toronto marketplace? Where does TO Live fit into the arts and cultural landscape? How does TO Live better represent and engage with an increasingly diverse Toronto community?	OPPORTUNITIES • Growing marketplace inclusive of those with a propensity to engage with arts and culture • Further engagement with diverse communities • Corporate growth and interest • Deeper connection with Toronto arts & cultural organizations
	THREATS • Audience comfort with returning to venues • City bureaucracy limitations • Potential change in leadership (Board, elected officials) • Growing venue competition • Complex and costly nature of venues, and need for investment in STLC



Business Context

COVID Impacts & future planning

- Will furloughed staff return or need to be replaced?
- 2022 forecast assumptions:
 - Open for business
 - Decreased overall city subsidy (relative to 2021)
 - COLA Allowance included
 - New seating capacities used (AODA impact)

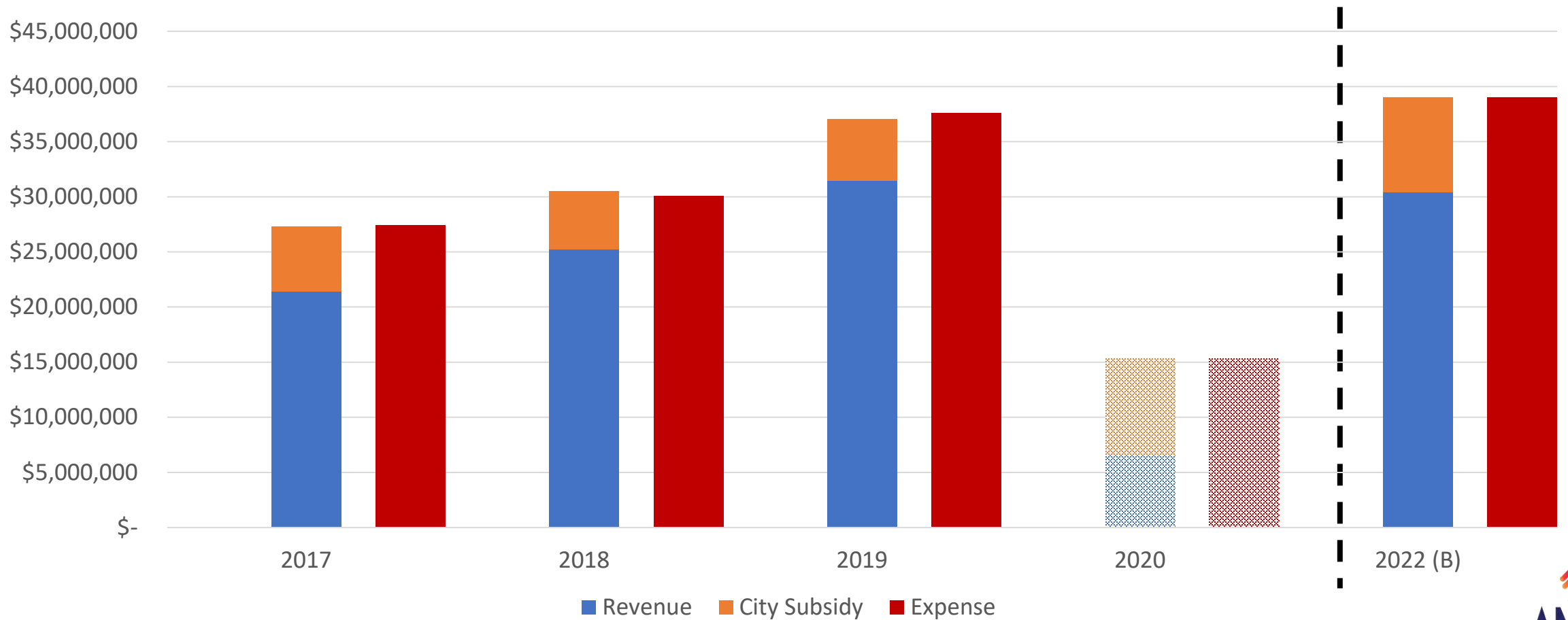
Interview Perceptions

Interviewees cite strengths and weaknesses

- **Purpose**
 - Range of perspectives
- **Diversity**
 - Desire for more diverse staff and Board
 - Commitment to IDEA training
- **Communication**
 - Challenge of alignment between staff and Board and within the Board
- **Programming**
 - Need for diverse programming to engage a larger consistency and representing a variety of cultures
- **Foundation**
 - A pathway to philanthropy?
- **Staff**
 - Staff leadership is strong

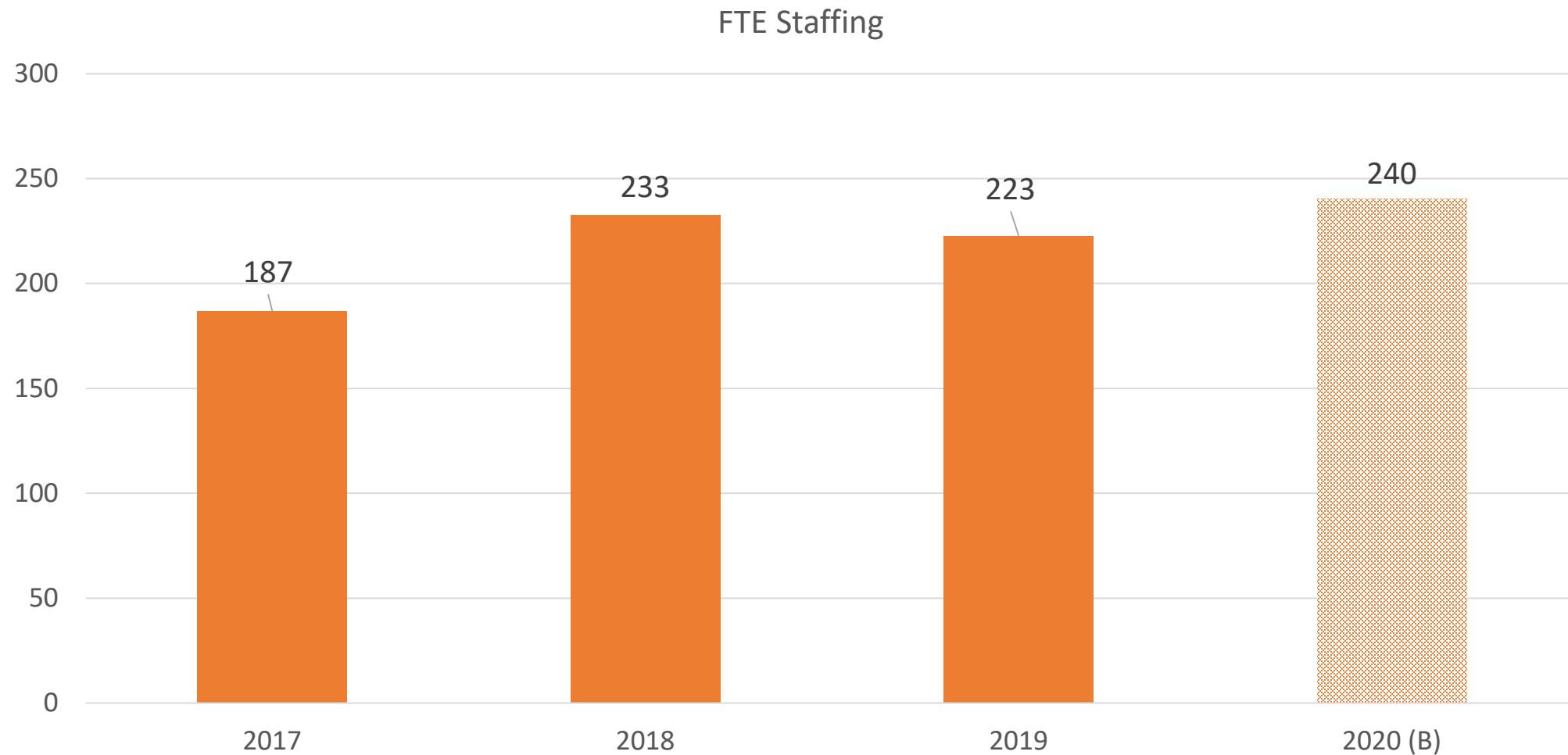
Profit & Loss

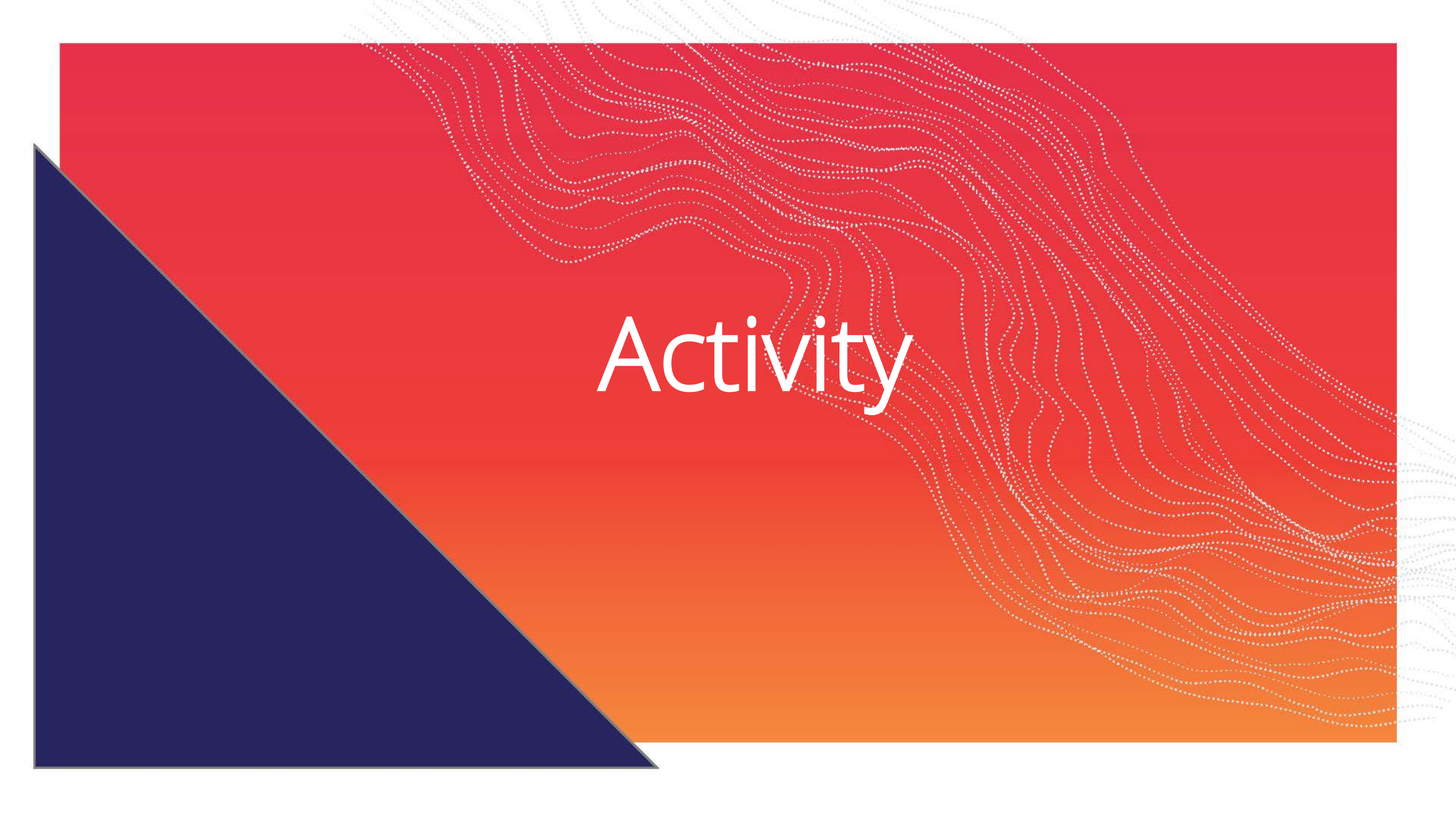
Significant annual budget growth from amalgamation through 2019



Staffing

FTE staff grew 40% between 2017-2019

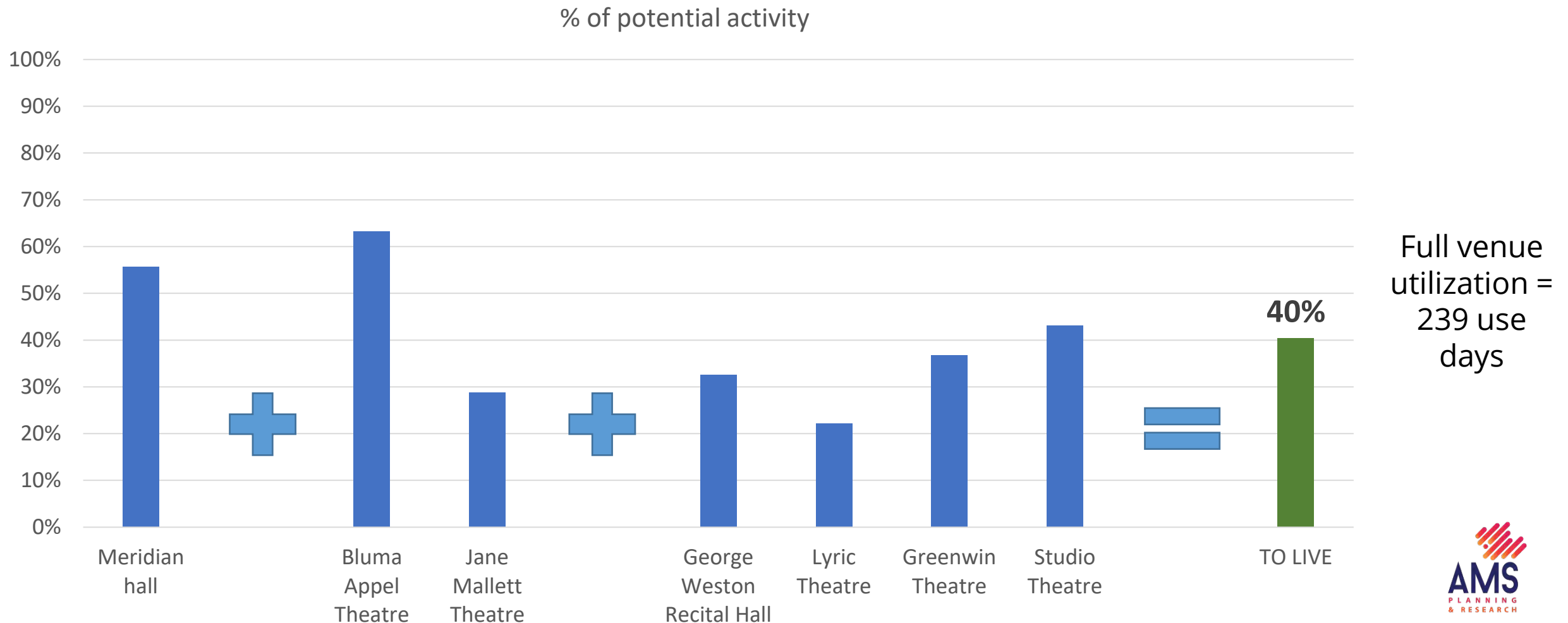




Activity

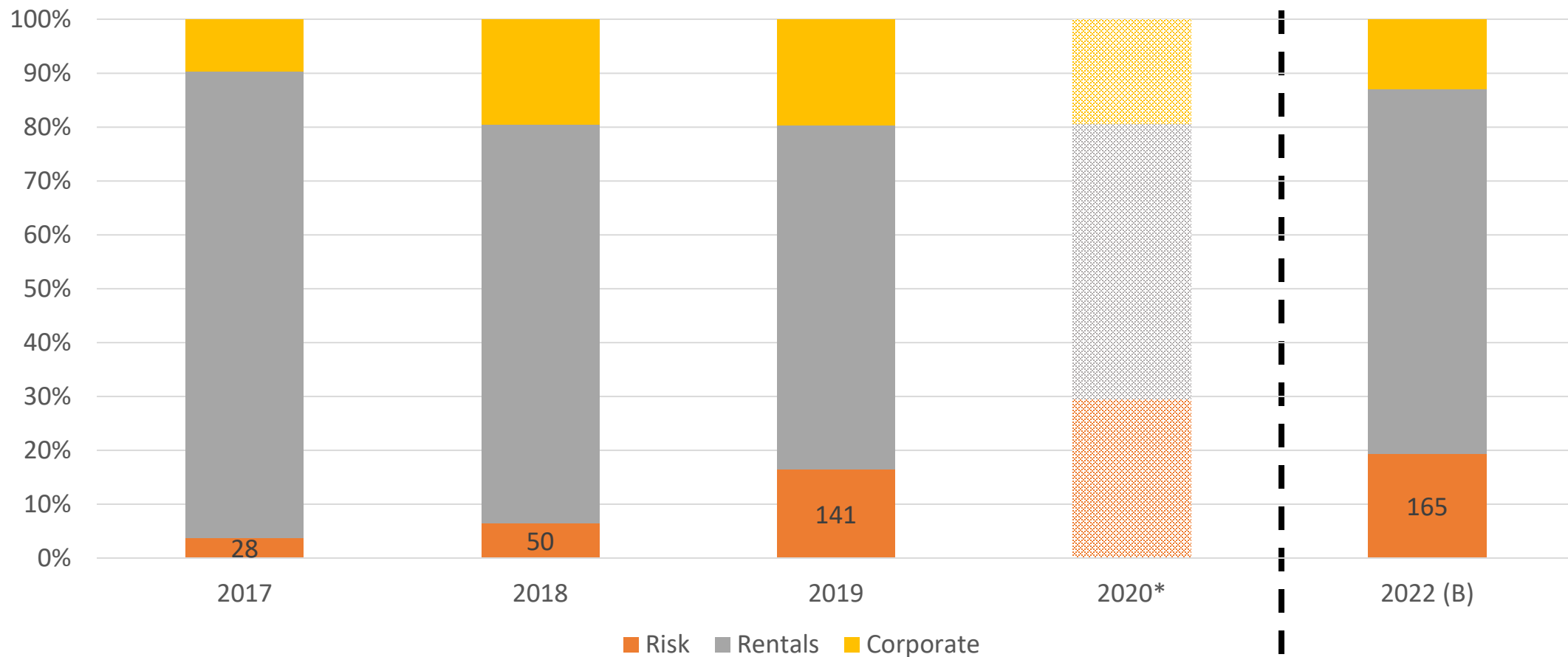
Performance Venue Underutilization

A snapshot from 2019 demonstrates actual vs. potential; 2019 offerings are a combined 40% of utilization across TO Live venues



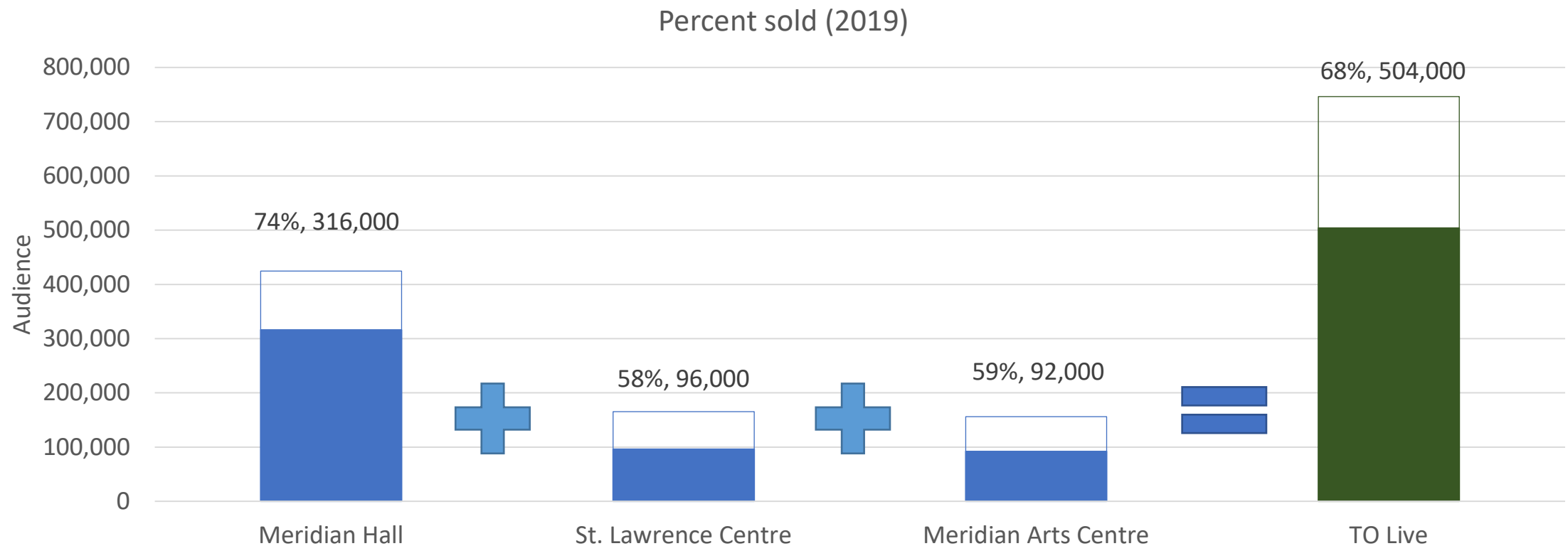
Volume of presenting activity increasing

From 2017 to 2019, presenting activity increased fivefold



Meridian Hall drives potential and actual sales

A snapshot from 2019 demonstrates performance; average of 68% sold across all venues in 2019

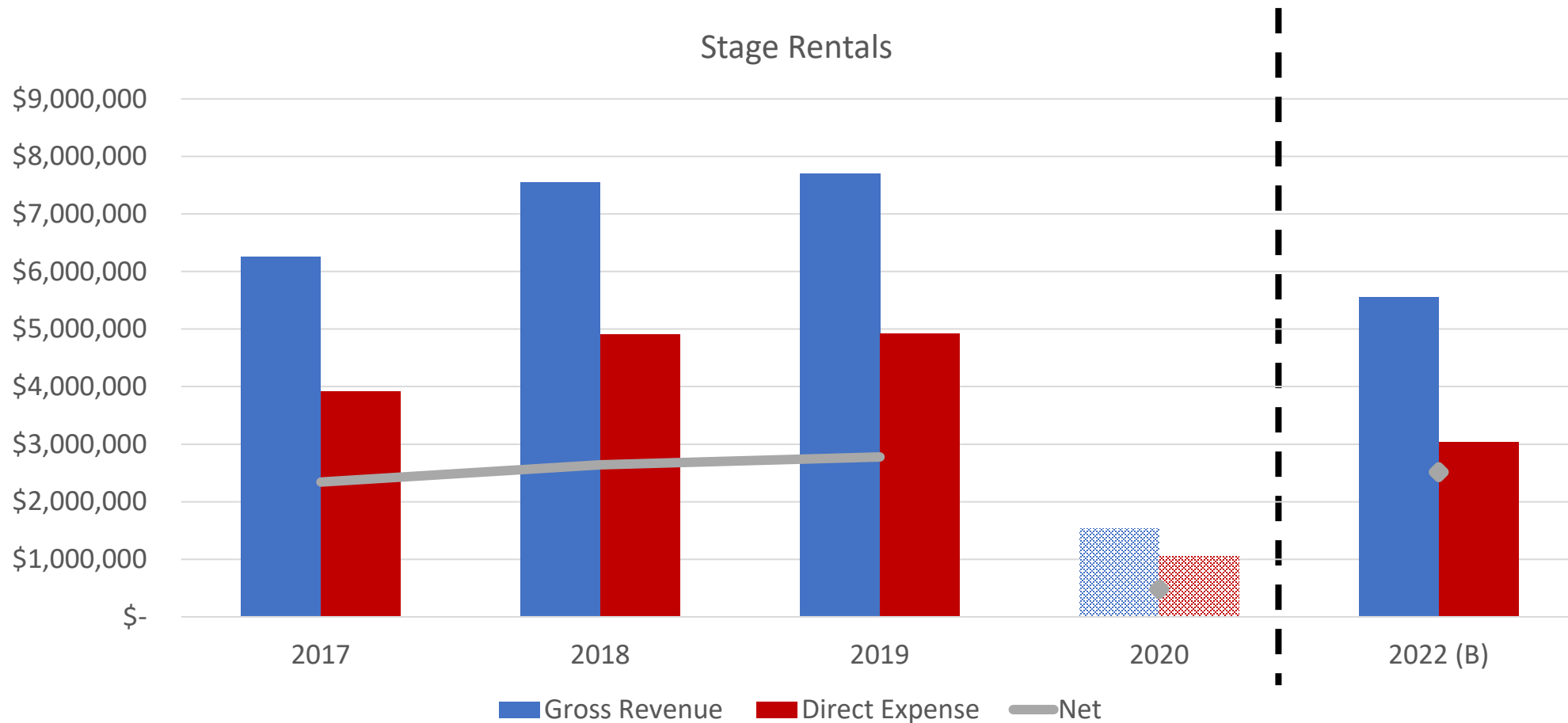




Lines of Business

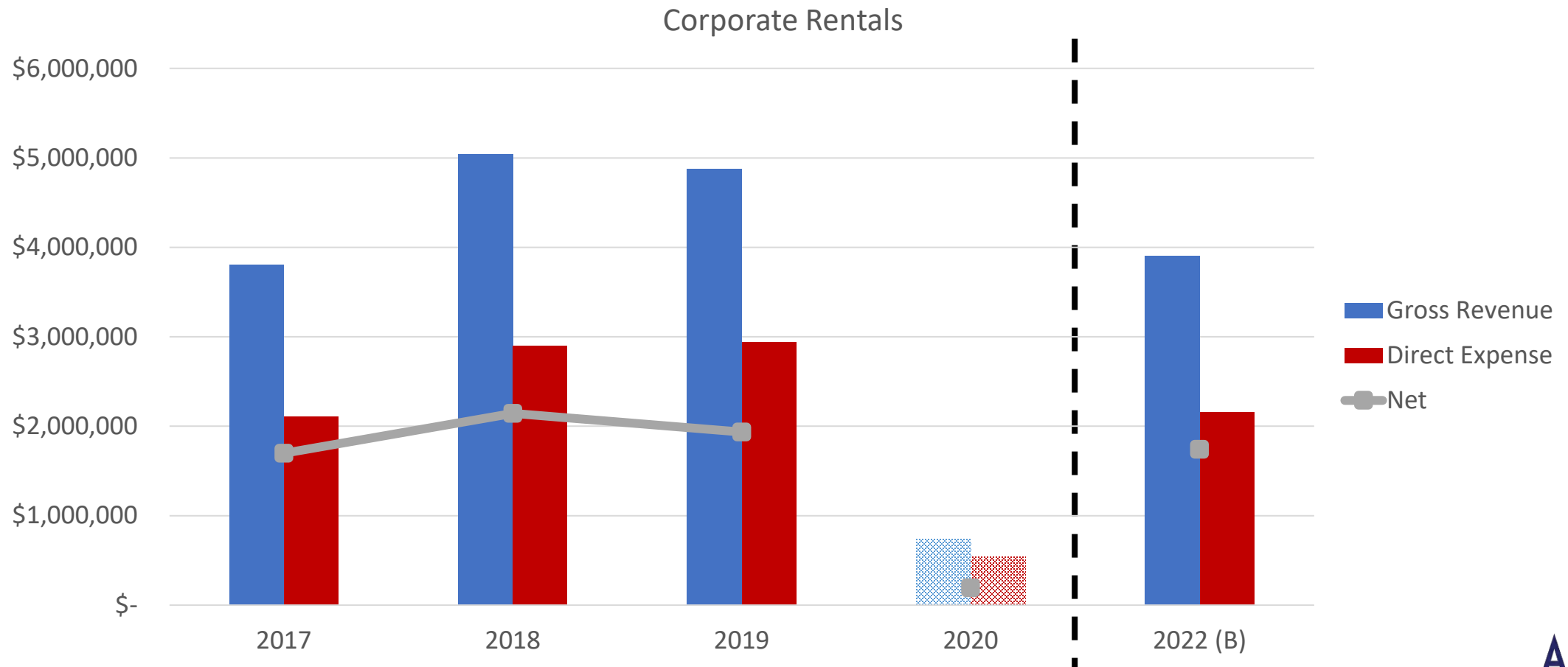
Gross stage rental revenues are growing

Gross contribution accounts for 23% - 30% of total revenue (before subsidy)
year over year



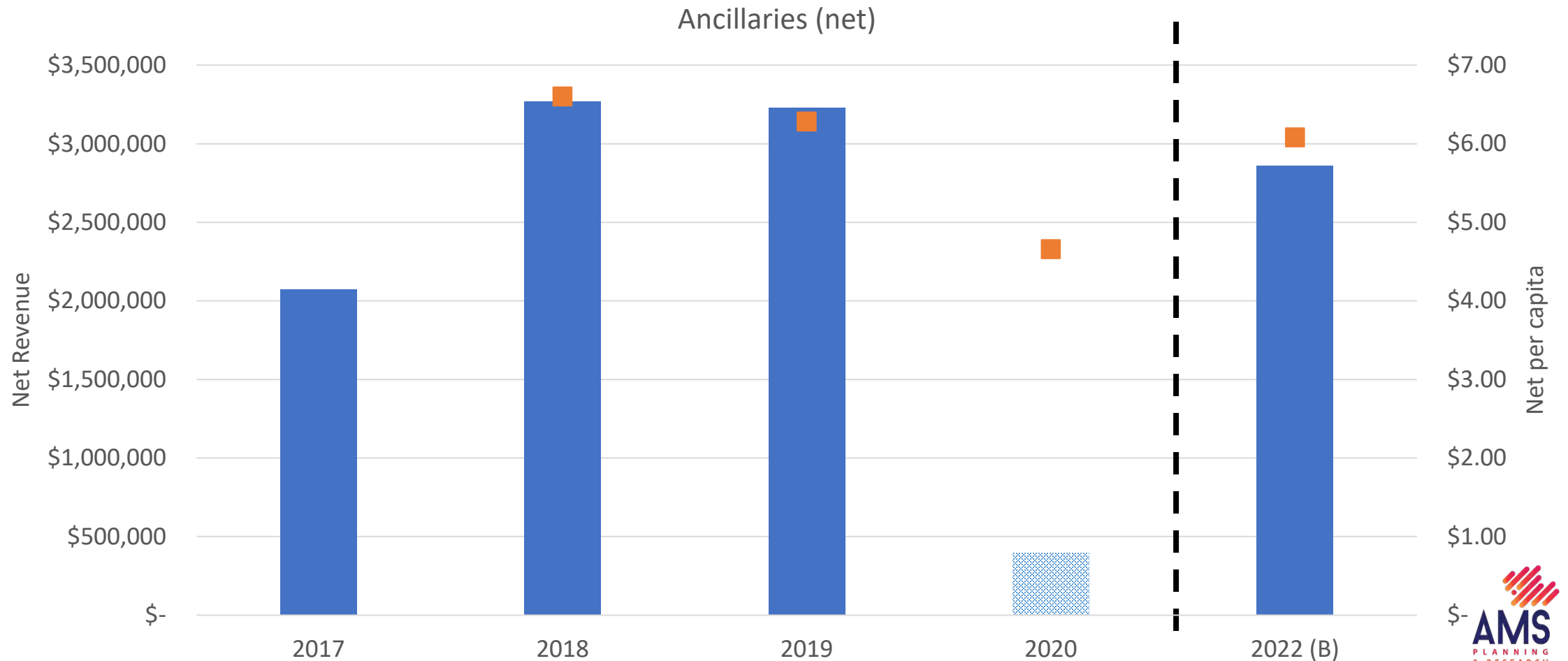
Corporate rentals consistently perform

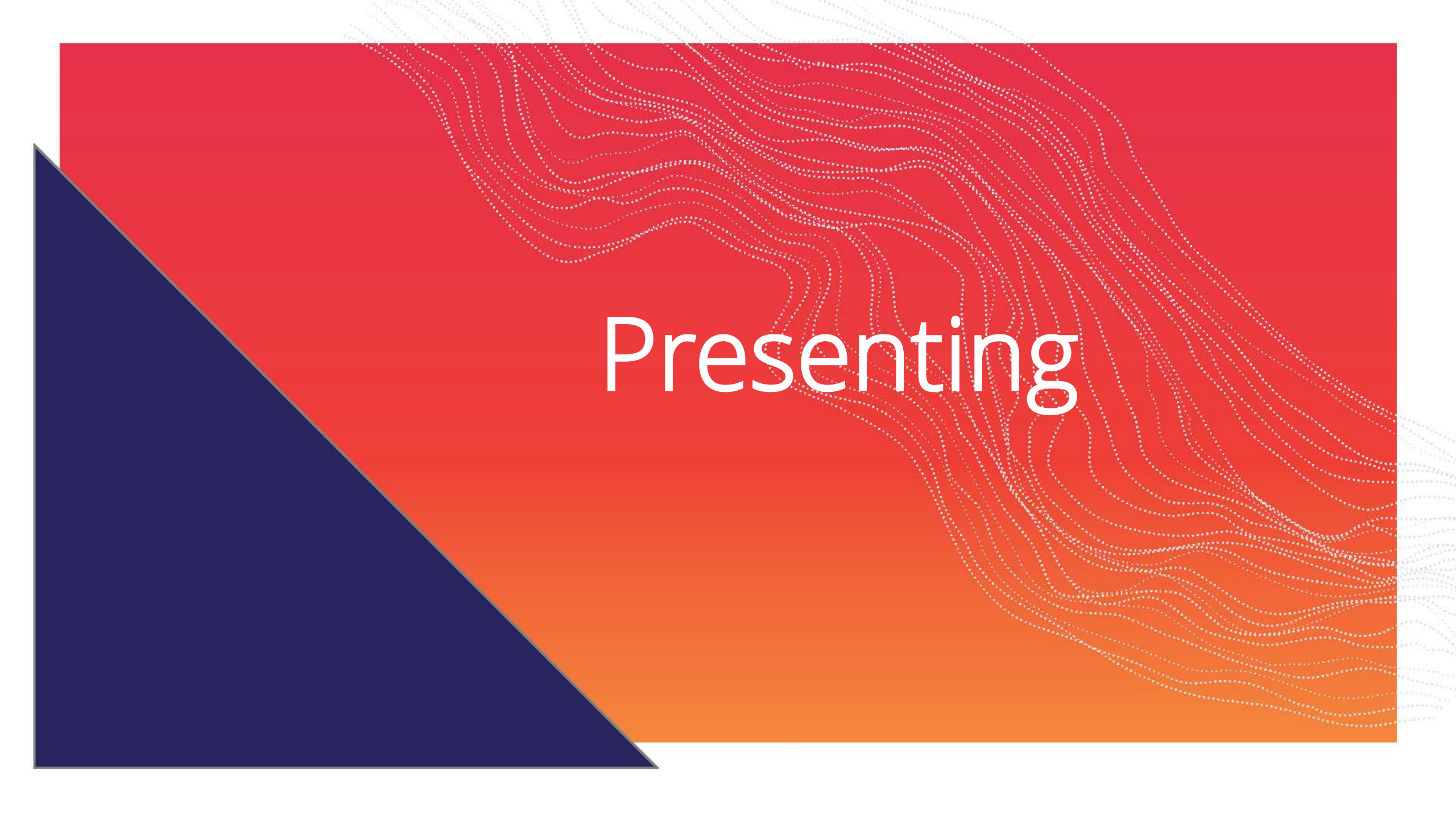
Gross corporate rental revenue accounts for 11% - 20% of total revenue (before subsidy) year over year



Ancillary net

Consistent margins on ancillaries since 2018

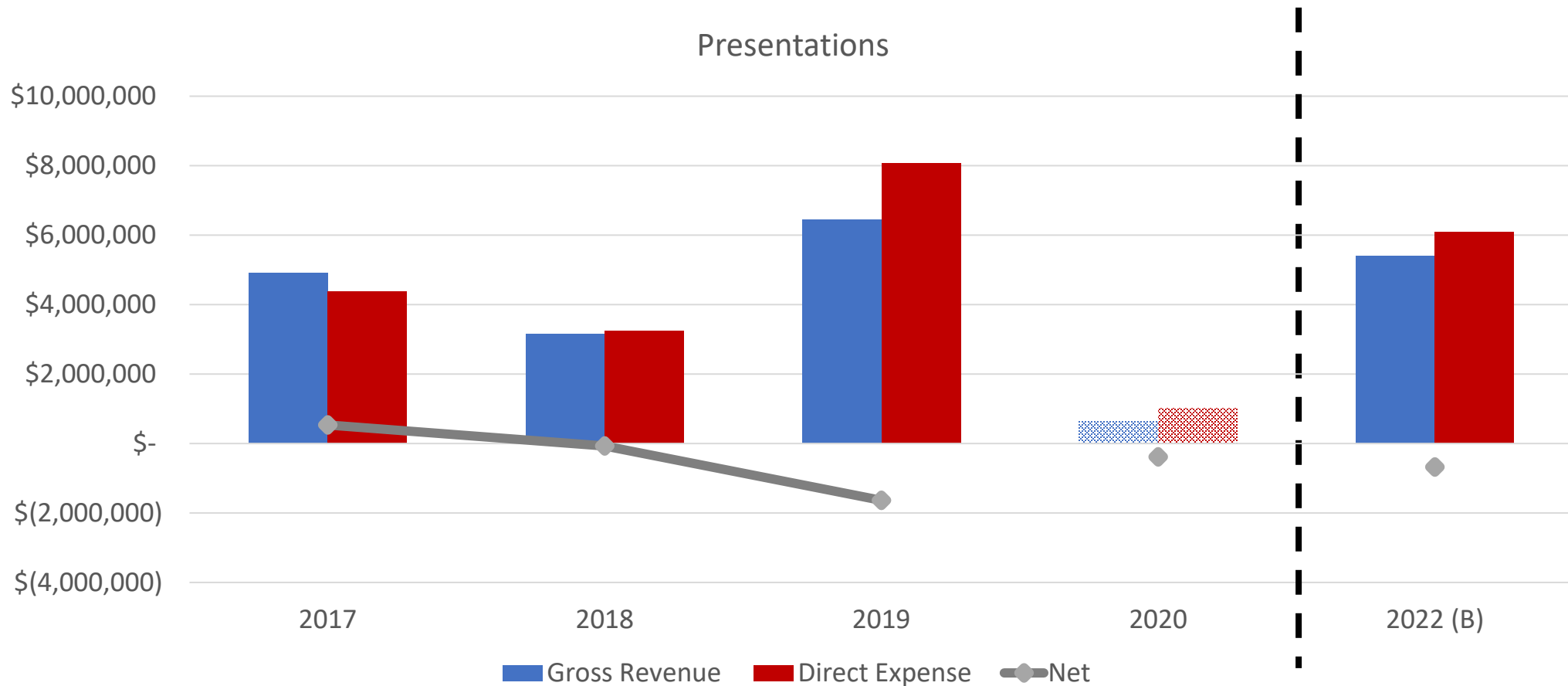




Presenting

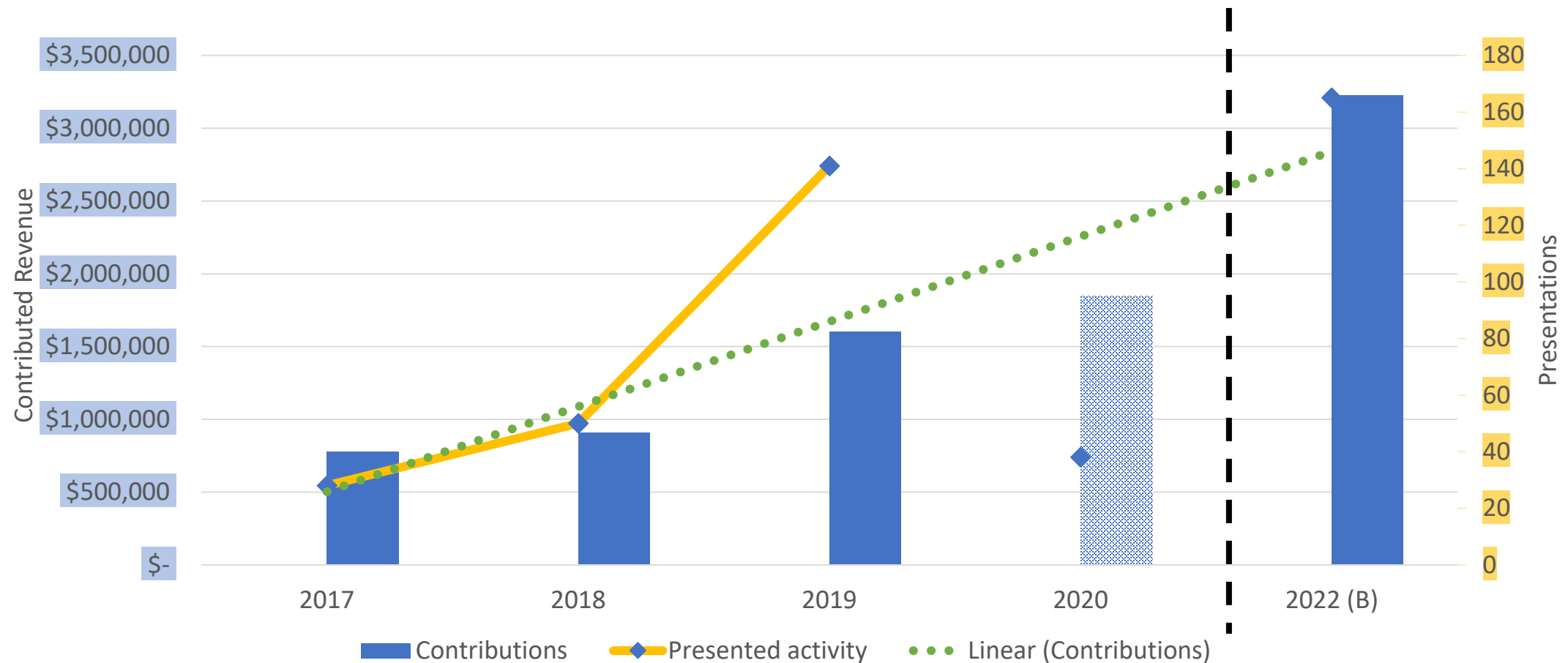
Presented investment and return varies year over year

Average presented investment is 14% of total budget



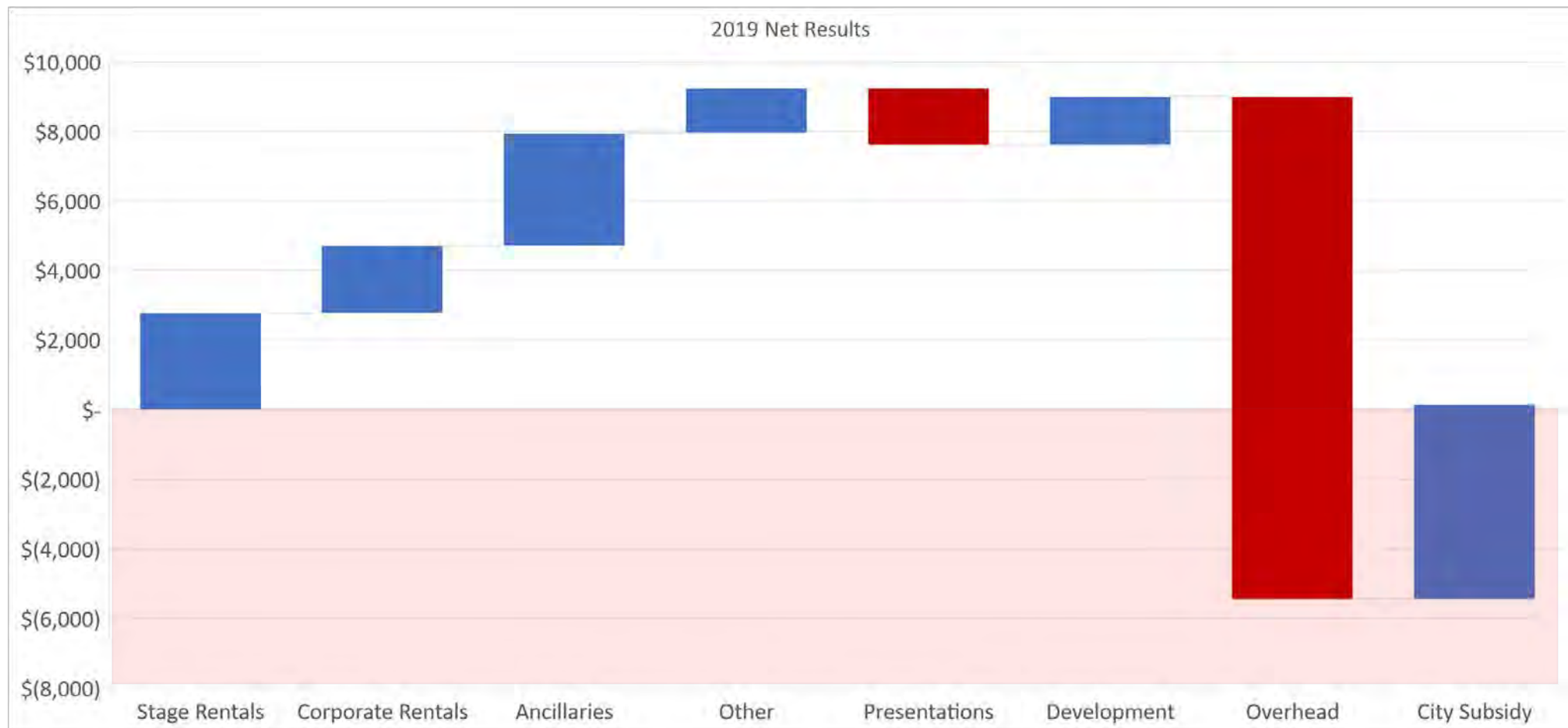
But, presenting volume correlates with contributed revenue growth

140% growth in contributed revenue between 2017-2020



2019 Results

Investment in presentations are offset with rentals and/or contributed income



Summary

- Strong revenue and activity growth trends
- Rentals & ancillary income are the stopgap and enable more programming investment
 - More presenting activity correlates with increased contributed revenue
- Meridian Hall dominates attendance and drives presenting potential
- Costs associated with facility assets drive expenses

What does the business context imply?

KEY QUESTIONS

What are our most significant achievements and opportunities for improvement as an organization since amalgamation?

What factors influence planning and investment in lines of business?

How should TO Live consider balancing rentals (“open to all”) and presenting activity (“fully curated”) in the future?

What is the role of fundraising for TO Live and what is the role of the TorontoLive Foundation?

How can we structure the relationship between the Board and TO Live Management to strengthen the success of the organization?

STRENGTHS

- City support = stability
- Strong venue assets and efficient operation
- Thoughtful and generative Board
- Strong senior team leadership
- Nurturing community and program partnerships
- Improving promoter perception

WEAKNESSES

- Clarity of mission, vision and purpose
- Staff and board alignment
- Lack of diversity of staff and board
- Need to deepen community engagement
- Enliven the Foundation
- Limited brand awareness in the community, and misperceptions

Overall

Summary

Alignment
around
purpose will
define
direction

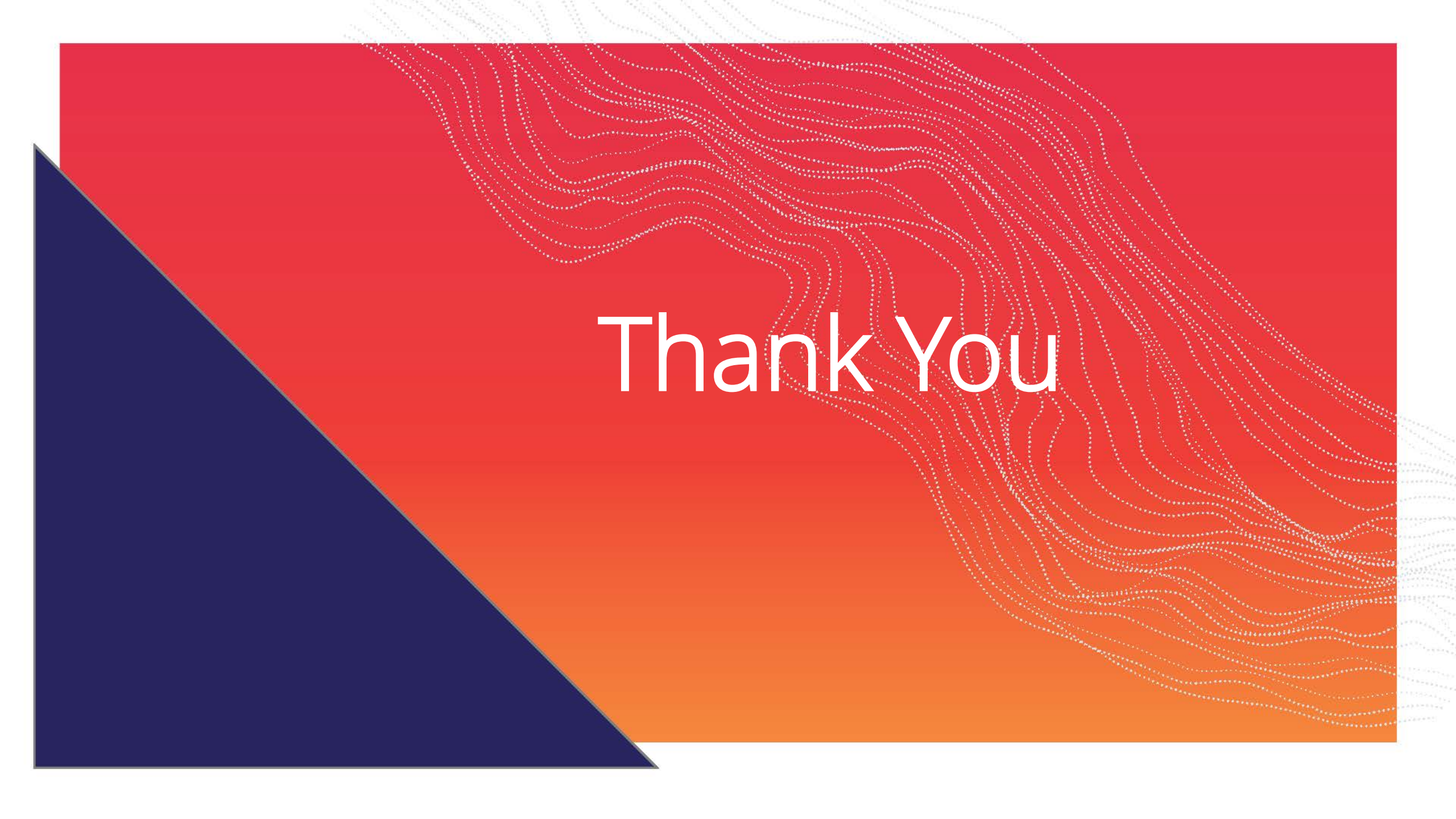
- A growing and diverse marketplace
- Available inventory for additional activity
- Increasing local venue competition
- Positive trends in earned revenue and philanthropy

Strategic Plan Desired Outcomes

- Clarity of purpose
- Stronger community positioning
- A clear and agreed-upon financial construct
- Agreement around roles of City, board and staff
- IDEA Plan
- Clarity of roles for TO Live role (presenter, landlord, etc.)
- Plan that is actionable and measurable

Success Identified

- Community awareness and engagement
- Wide-ranging recognition
- Broad, inclusive program offerings
- Continued nurturing of current, and developing new partnerships
- Robust activity and attendance
- Diverse staff and Board
- Board alignment
- Straightforward fiscal model with revenue diversification



Thank You