

Toronto Arts Council 2022 Annual Report and Authority to Extend Multi-Year Funding Agreement

Date: October 10, 2023

To: Economic and Community Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

Toronto Arts Council (TAC) is an independent non-profit organization that delivers grants to artists and arts organizations on behalf of the City of Toronto. Since 1974, TAC has offered innovative and responsive programs, enabling Toronto's creative community to explore, create and thrive. With funding of over \$25 million annually, TAC grants lead to exhibitions, performances, readings and workshops seen each year by over 5 million people across the city.

The purpose of this report is to transmit TAC's annual report to the Economic and Community Development Committee, which is required per the terms of the Multi-Year Agreement (the "Agreement") between the City and TAC. The report provides an overview of TAC's activities and grant allocations from January 1 to December 31, 2022.

This report also seeks authority from City Council to extend the City's Agreement with TAC to March 31, 2025. The Agreement sets out the terms and conditions for the use of City funds by TAC and is set to expire on December 31, 2023. An extension of the current Agreement is recommended to allow for the City and TAC to use the forthcoming new Action Plan for Toronto's Culture Sector, scheduled for completion in mid-2024, as the basis to identify shared funding priorities for a new multi-year agreement. Staff will report to Economic and Community Development Committee with recommended terms and conditions for a new agreement prior to the renewed expiry date.

RECOMMENDATIONS

The General Manager, Economic Development and Culture recommends that:

1. City Council authorize the General Manager, Economic Development and Culture, to negotiate, approve, and execute an extension to the multi-year agreement with Toronto Arts Council, including any necessary amendments, for the administration and

distribution of arts and culture funding on behalf of the City of Toronto from its current expiry date of December 31, 2023, until the earlier of March 31, 2025, or the approval of a new agreement by City Council.

FINANCIAL IMPACT

There are no current or known future year financial implications resulting from the adoption of the recommendation contained in this report. The Multi-Year Agreement between the City and TAC sets out the terms and conditions for TAC's use of City funds. Its funding allocation is determined annually by City Council through the City's budget process.

The Interim Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

The Multi-Year Agreement between the City of Toronto and Toronto Arts Council, first approved by Council in December 1998, was most recently renewed with effective dates of January 1, 2019 to December 31, 2023. It requires Toronto Arts Council to submit an annual report to Economic and Community Development Committee on TAC's previous year's activities.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC3.8>

COMMENTS

Toronto Arts Council (TAC) is responsible for the disbursement of the majority of the City's cultural funding through grants to the non-profit arts sector on behalf of the City of Toronto. TAC received an allocation of \$25,554,600 in 2022 from the City of Toronto, which was included in Economic Development and Culture (EDC)'s 2022 Approved Operating Budget to support grants and operations.

TAC received a total of 2,014 grant applications in 2022 with requests totalling \$38,428,306, and awarded 883 grants totalling \$23,586,808. TAC's annual report, included as Attachment 1, provides a comprehensive list of the grant allocations, and illustrates the deep impact of arts funding for communities across Toronto.

TAC's accountability for the use of City funding is defined by its Multi-Year Agreement with the City, which is due to expire at the end of 2023. The Agreement stipulates a ceiling on TAC's operational costs at 11% of total expenses. TAC has historically over performed against this target, with operating costs representing 8% of the organization's expenditures in 2022, while 92% was committed to grants.

This report recommends that City Council authorize an extension of the Multi-Year Agreement until the earlier date of March 31, 2025, or such time that Council approves

a new agreement. EDC is working in collaboration with Toronto Arts Council to develop a new Action Plan for Toronto's Culture Sector, which will set out an ambitious vision to strengthen the arts and culture sector for the benefit of residents across the city. The plan is scheduled to be completed in mid-2024, following an inclusive community and stakeholder engagement process. EDC is recommending an extension to the Multi-Year Agreement to allow for staff and TAC to use the new Action Plan as a basis to set shared funding priorities for a new agreement.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1 - Toronto Arts Council 2022 Annual Allocations Report