

## **Economic Development and Culture (EDC) Grants - 2022 and 2023 Allocations**

**Date:** April 16, 2024

**To:** Economic and Community Development Committee

**From:** General Manager, Economic Development and Culture

**Wards:** All

### **SUMMARY**

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The City of Toronto invests in the vibrancy and diversity of the arts and culture sector and the business community through various Economic Development and Culture (EDC) division's program grants, directed grants and event sponsorships. These investments are guided by the City of Toronto's key strategic goal of investing in people and neighbourhoods and EDC's divisional strategic goals to promote Toronto's cultural vibrancy by enhancing supports for arts and culture and to increase Toronto's global competitiveness by supporting businesses, entrepreneurship and sector development.

In accordance with the City's Community Grants Policy and in alignment with City Council direction, this report provides information of EDC's funding allocations in 2022 and 2023, including program grants, directed grants and event sponsorships funding. This report also recommends that the General Manager of Economic Development and Culture continue to be authorized to make targeted investments in the form of directed grants and event sponsorships to respond to emerging needs of the community and to advance activities aligned with the City of Toronto strategic goals.

As part of EDC's efforts to continuously improve transparency and accountability of its grants in alignment with EDC's grant reform initiatives, this report will be brought forth on an annual basis, providing an overview of EDC's annual grant allocations.

### **RECOMMENDATIONS**

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The General Manager, Economic Development and Culture recommends that:

1. City Council delegate authority to the General Manager, Economic Development and Culture, to allocate directed grants in a manner consistent with criteria defined in the report, to eligible third party non-profit organizations, educational institutions, registered charities or any other such eligible organizations for up to a value of \$500,000 each out of its annual Operating Budget, and to negotiate, enter into and execute any funding

agreements, including any amendment, renewal or extension agreements, on such content, terms and conditions deemed necessary by the General Manager, Economic Development and Culture and in a form satisfactory to the City Solicitor.

2. City Council delegate authority to the General Manager, Economic Development and Culture, to negotiate, enter into and execute any agreements, including any amendment, renewal or extension, of event sponsorships to eligible third parties including businesses, festivals, non-profit corporations, registered charities and educational institutions for up to a value of \$500,000 each, subject to the Economic Development and Culture's annual Operating Budget and on such content, terms and conditions deemed necessary by the General Manager, Economic Development and Culture and in a form satisfactory to the City Solicitor.

## **FINANCIAL IMPACT**

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There are no current year financial implications resulting from the adoption of the recommendations contained in this report. Any future year financial impacts arising from the recommendations in this report will be accommodated within the Operating Budget of the Economic Development and Culture Division.

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

## **DECISION HISTORY**

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At its meeting of July 16, 17 and 18, 2019, City Council adopted the Toronto Grants Policy to provide a transparent process for the issuance of community grants by the City.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC6.19>

At its meeting on July 19, 20, 21 and 22, 2022, City Council adopted the Economic Development and Culture Division 2022-2023 Strategic Directions which lays out an interim strategic direction for the Division while a long-term strategy is developed for 2024-2028.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EC31.19>

At its meeting on February 7 and 8, 2023, City Council approved the 2020 and 2021 Economic Development and Culture (EDC) grants allocations and EDC's approach to modernize and update its funding structures to improve transparency, accountability, and achieve greater outcomes for the community.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC1.4>

At its meeting on May 10, 11 and 12, 2023, City Council approved the establishment of the Cultural Organization Operating Partnership (COOP) program to provide operating support to not-for-profit cultural organizations, replacing the former Major Cultural

Organizations (MCO) and Specialized Collections Museums (SCM) grant programs, which were discontinued based on Council direction.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC3.12>

At its meeting on May 10, 11 and 12, 2023, City Council approved the 2023 grants allocation to the six Local Arts Service Organizations (LASOs).

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC3.11>

At its meeting on October 11 and 12, 2023, City Council approved the establishment of the Cultural Hotspot and the Youth Cultural Incubator Stabilization Initiative (YCISI) grant programs, in alignment with the Community Grants Policy.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC6.4>

## COMMENTS

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Toronto has a vibrant arts and culture sector and diverse business community that play a significant role in shaping its identity and that contribute to the quality of life, economic prosperity and social connection. As a key funder to local arts and cultural non-profit groups, individual artists and cultural workers and Toronto's businesses, the City of Toronto, through the Economic Development and Culture Division (EDC), provides funding to support the cultural and economic vitality of Toronto's diverse neighbourhoods and communities. As we continue to observe a vibrant return to pre-pandemic levels of activity, the investment made in 2022 and 2023 acknowledge and contribute to the significance of the creativity and resilience demonstrated by artists, cultural workers and the business community, which accelerated community and economic recovery from the impacts of the COVID-19 pandemic.

EDC's funding portfolio has a long history of comprising a mixture of structured, Council-approved program grants and targeted investments in the form of directed grants and event sponsorships. To ensure that funding can continue to maximize impacts and benefits to communities, EDC has undertaken a series of grant reform efforts to improve their accessibility, transparency and accountability since 2018. As a continuation of EDC's grant reform efforts, several EDC directed grants were formalized into program grants in 2023 through Council direction, namely the Cultural Hotspot, Youth Cultural Incubator Stabilization Initiatives/ Live Arts Mentor. Similarly, the Cultural Organization Operating Partnership (COOP) program was introduced as a new funding model to provide individualized operating funding support to not-for-profit cultural organizations, replacing the former Major Cultural Organization (MCO) and the Specialized Collections Museum (SCM) grant programs. As the grant reform activities reach its final phase, EDC will bring forward reports proposing changes to update two remaining areas of funding: Film and Interactive Digital Media and the directed grants to museums by Q2 2025 to ensure that EDC's grant-making activities continue to be equitable, transparent and in compliance with the City's Community Grants Policy.

In 2022, EDC issued a total of \$51,029,332.72 (including \$6,843,555.27 from other levels of government) to 767 funding recipients. In 2023, EDC issued a total of \$49,163,431.53 (including \$5,270,099 from other levels of government) to 716 funding

recipients. The sections below provide information on EDC's 2022 and 2023 grant allocation as follow: 1. Program Grants, 2. Directed Grants, and 3. Event Sponsorships.

**1. Program Grants**

Program grants are structured funding approved by Council delegated authority that include a formal application, review and allocation process, as required under the City's Community Grants Policy. They provide critical support to the sustainability of many arts and cultural organizations, enable programs and projects to be realized, support partnerships and collaborations that create new opportunities for artists and cultural workers and contribute to business development and sector workforce development efforts. Among others, program grants in the past two years have helped:

- Provide inclusive and low-cost or free opportunities for community members to engage with arts and culture programming and events in outside-the-core neighbourhoods;
- Build capacity and provide employment, career development and collaboration opportunities for artists and cultural workers, including youth, emerging artists and those from underrepresented population groups;
- Advance reconciliation by supporting partnerships and collaboration that create new opportunities and visibility for Indigenous-led artists and cultural workers;
- Invest in key sector workforce development and capacity-building initiatives;
- Attract and retain business investments and foster an environment that allows the business community including entrepreneurs and start-up businesses to thrive;
- Support main street recovery from the impact of the COVID-19 pandemic;
- Provide accessible, inclusive and affordable programming and support heritage preservation of the museums.

In 2022, EDC issued \$44,142,799.52 to 670 eligible organizations and individuals across 13 program areas. EDC's 2022 allocation, with a breakdown of the grant funding allocation by programs, number of grants recipients and the total funding amount is as follows:

<b>EDC Development and Culture Grant Program Allocation 2022</b>		
<b>2022 Grant Programs</b>	<b>Number of Grant Recipients</b>	<b>Funding Amount</b>
<b>Arts and Culture Services (ACS)</b>		
Toronto Arts Council	1*	\$25,554,600
Cultural Organization Operating Partnership (COOP)	8	\$4,532,548
Cultural Festivals Funding Program (CFFP)	36	\$2,023,000

<b>EDC Development and Culture Grant Program Allocation 2022</b>		
Local Arts Service Organizations (LASO)	6	\$1,967,400
Cultural Hotspot	29	\$364,258
Youth Cultural Incubators Stabilization Initiative (YCISI)	8	\$450,000
Indigenous Arts and Culture Partnerships Fund (IACPF)	6	\$120,000
Toronto Significant Event Investment Program (TSEIP)	1	\$100,000
ArtworxTO	35	\$1,176,592.46
<b>Business Growth Services (BGS)</b>		
Business Incubation and Commercialization Grant Program	33	\$1,438,130
Starter Company Plus and Summer Company Grant**	144	\$676,500
Business Improvement Area (BIA) Grants	43	\$832,180.06
Main Street Recovery and Rebuild Initiatives (MRRI)***	320	\$4,907,591
<b>TOTAL</b>	<b>670</b>	<b>\$44,142,799.52</b>

\* Toronto Arts Council uses this funding to distribute grants to close to 900 artists and organizations on the City's behalf

\*\* The Starter Company Plus and the Summer Company Grants are funded by the Government of Ontario.

\*\*\*Toronto's Main Street Recovery and Rebuild Initiatives (MRRI) is federally funded by the Federal Economic Development Agency for Southern Ontario.

In 2023, EDC issued \$42,620,274.29 to 627 eligible organizations and individuals across 13 grant program areas. EDC's 2023 allocation, with a breakdown of the grant funding allocation by programs, number of grants recipients and the total funding amount is as follows:

<b>EDC Development and Culture Grant Program Allocation 2023</b>		
<b>2023 Grant Programs</b>	<b>Number of Grant Recipients</b>	<b>Funding Amount</b>
<b>Arts and Culture Services (ACS)</b>		
Toronto Arts Council	1*	\$25,854,600
Cultural Organization Operating Partnership (COOP)	8	\$4,432,548
Cultural Festivals Funding Program (CFFP)	43	\$1,977,150
Local Arts Service Organizations (LASOs)	6	\$1,917,400
Cultural Hotspot	46	\$441,691
Youth Cultural Incubators Stabilization Initiative (YCISI)	13	\$599,652
Indigenous Arts and Culture Partnerships Fund (IACPF)	9	\$225,000
Toronto Significant Event Investment Program (TSEIP)	2	\$300,000
ArtworxTO	5	\$150,240.85
<b>Business Growth Services (BGS)</b>		
Business Incubation and Commercialization Grant Program	36	\$1,084,784.25
Starter Company Plus and Summer Company Grant**	100	\$458,500
Business Improvement Area (BIA) Grants	40	\$1,165,178.79
Main Street Recovery and Rebuild Initiatives (MRRI)***	318	\$4,013,529.40
<b>TOTAL</b>	<b>627</b>	<b>\$42,620,274.29</b>

\* Toronto Arts Council uses this funding to distribute grants to close to 900 artists and organizations on the City's behalf.

\*\* The Starter Company Plus and the Summer Company Grants are funded by the Government of Ontario.

\*\*\*Toronto's Main Street Recovery and Rebuild Initiatives (MRRI) is federally funded by the Federal Economic Development Agency for Southern Ontario.

Details of funding amount and funding recipients of 2022 and 2023 program grants can be found in Attachment 1 and 2, respectively. Of note, names of individual program grant recipients (such as individual artists, cultural workers and entrepreneurs) are denoted as "Individual X" in the attachments since funding agreements did not permit disclosure of names of individuals due to privacy consideration.

## 2. Directed Grants

To ensure that funding can respond nimbly to the emerging areas of community needs and optimize strategic opportunities that may otherwise not be addressed by grant program funding, Council has delegated authority to EDC to issue one-off, targeted investments. In the past years, these investments in the form of directed grants provided EDC with the ability to act quickly in times of need, to make small investment in promising ideas and to leverage those investments by supporting the scaling up of innovative ideas while ensuring accountability and stewardship of public funds.

To qualify for a directed grant, funding recipients are required to demonstrate that funded activities can advance or be aligned with one or more EDC's strategic directions:

1. *Recover and Renew* - Advancing Economic and Cultural Recovery and Renewal
2. *Increase Toronto's Global Competitiveness* - Attracting and Supporting Businesses, Entrepreneurship and Sector Development
3. *Combat Economic Inequity* - Developing and Implementing a Coordinated Approach to Inclusive Economic Development
4. *Grow and Promote Toronto's Cultural Vibrancy* - Enhancing Supports for Arts and Culture (and Cultural Industries)
5. *Be Ready for the Future* - Embracing Inclusive Data-Driven Decision Making

In 2022 and 2023, examples of directed grants issued included:

- Support for CivicLabTO to examine the impact of the pandemic on small local food enterprise,
- Inclusive pandemic recovery support for Ontario businesses, workers and entrepreneurs through networking opportunities, entrepreneurship events and Indigenous entrepreneurship support - in partnership with Ontario Chamber of Commerce,
- Funding for the Design Industry Advisory Committee (DIAC) to enable continuation of existing research and program activities,
- Targeted funding to support Toronto Railway History Museum, The William Campbell House Foundation and Toronto's First Post Office in delivering inclusive public programming and support heritage preservation of the museums
- Sponsoring the Intergovernmental Committee for Economic and Labour Force Development (ICE) to deliver webinars on workforce development, and research projects on remote work, focusing on its impact on labour productivity, equity-deserving workers, congestion, vacancy rates, property values, and downtown economies, while also examining emerging best practices.

The table below provides information on the directed grants issued in 2022 and 2023 by the 5 EDC business areas. Further details, such as funding amount and funding

recipients of 2022 and 2023 directed grants can be found in Attachment 3 and 4, respectively.

<b>EDC Section</b>	<b>EDC Directed Grants 2022</b>	<b>EDC Directed Grants 2023</b>
Arts and Culture Services	\$310,376.40	\$770,500
Business Growth Services	\$4,284,150.64*	\$3,576,695*
Film and Entertainment Industries	\$300,000	\$250,000
Museum and Heritage Services	\$206,076.59	\$275,011.65
Program Support	\$40,318**	\$47,625**
<b>TOTAL</b>	<b>\$5,140,921.63</b>	<b>\$4,919,831.65</b>

\* 2022 Directed grants noted as part of Business Growth Services included \$1,229,146.27 for the following funding recipients: BBPA - Black Business and Professional Association, EDCO - Economic Developers Council and Plazapops, which are funded by the federally-funded MRRI funding envelop. Similarly, 2023 Directed grants noted as part of Business Growth Services included \$767,445 for the following funding recipients: BBPA - Black Business and Professional Association and Plazapops, which are funded by the federally-funded MRRI funding envelop.

\*\*\*Directed grants noted as part of Program Support include funding for the Intergovernmental Committee for Economic and Labour Force Development (ICE), which was partially funded by the federal government (\$30,318 in 2022 and \$30,625 in 2023).

### 3. Event Sponsorships

Event sponsorships provide financial support to events in exchange of significant value to the City through an arrangement with an external event host/organizer. As an event sponsor, the City receives benefits from the sponsored entity to advance strategic priorities and key communications objectives, such as marketing considerations, visibility at the event and, often, an opportunity to present.

In 2022 and 2023, EDC sponsored a variety of events that contributed to Toronto's cultural vibrancy, livability and economic competitiveness. They can be categorized into the following event types:

- Events that promoted Toronto and the economic strength of the larger region, attracted business investment, fostered collaboration among industry stakeholders and created business development and employment opportunities in important sectors of the economy. Examples of these event sponsorships included sector-specific events, such as conferences, trade shows and networking forums such as Collision and the Toronto Global Forum.

- Events that supported local workforce development and networking initiatives and/or provided paid or training opportunities for local artists and cultural workers, including youth and emerging professional, which contributed to the equitable access and/or growth of key sectors. Examples include Canadian Music Week, Kensington Market Jazz Festival, etc.
- Events that invested in culture and showcase Toronto as a jurisdictional leader in selected industries such as film, entertainment and creative industries to create a more vibrant and welcoming environment for industry growth. Examples of these events sponsorships included the Junos Awards, Toronto International Film Festival, etc.

These event sponsorships contributed to an increased awareness of Toronto as a diverse cultural and competitive business destination, facilitated valuable connections between businesses and potential partners, and stimulated economic activity and job creation within key sectors.

The table below provides information on the event sponsorships issued in 2022 and 2023 by the 5 EDC business areas. Further details such as funding amount and funding recipients of 2022 and 2023 event sponsorships can be found in Attachment 5 and 6, respectively.

<b>EDC Section</b>	<b>EDC Event Sponsorships 2022</b>	<b>EDC Event Sponsorships 2023</b>
Arts and Culture Services	\$6,000	\$1,000
Business Growth Services	\$1,114,479.46	\$1,153,321.06
Film and Entertainment Industries	\$550,132.11	\$454,004.53
Museum and Heritage Services	\$75,000	\$0
Program Support	\$0	\$15,000
<b>Total</b>	<b>\$1,745,611.57</b>	<b>\$1,623,325.59</b>

## **CONTACT**

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## **SIGNATURE**

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Patrick Tobin  
General Manager, Economic Development and Culture

## **ATTACHMENTS**

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Attachment 1 - List of Grant Programs Funding Recipients in 2022

Attachment 2 - List of Grant Programs Funding Recipients in 2023

Attachment 3 - List of Directed Grants Funding Recipients in 2022

Attachment 4 - List of Directed Grants Funding Recipients in 2023

Attachment 5 - List of Event Sponsorship Funding Recipients in 2022

Attachment 6 - List of Event Sponsorship Funding Recipients in 2023