

**From:** "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

**To:** "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>

**Date:** 12/12/2016 4:58:06 PM

**Subject:** City Support for Arts & Culture: Budget Answers

**Attachments:** [Memo to Mayor and Council 2017 Budget - Arts Culture - 2016-12-12.pdf](#)

Greetings Mayor and Council

Please find attached a memo responding to Council's questions regarding arts investments.

Key Points include:

1. The City's total investment in arts and culture has increased by over 53% in five (5) years with a
2. Operating grants to arts and cultural organizations have increased an average of 2% per year for
3. Vancouver ranks second only to Montreal in per capita investment in culture beating Toronto,

The attached memo outlines additional indicators of the City's strong commitment to the arts

Best

Sadhu

Sadhu Aufochs Johnston



## MEMORANDUM

December 12, 2016

TO: Mayor and Council

CC: Sadhu Johnston, City Manager  
Paul Mochrie, Deputy City Manager  
Janice MacKenzie, City Clerk  
Lynda Graves, Manager, Administration Services, City Manager's Office  
Rena Kendall-Craden, Director, Communications  
Kevin Quinlan, Chief of Staff, Mayor's Office  
Katie Robb, Director, Communications, Mayor's Office  
Naveen Girn, Director of Community Relations, Mayor's Office  
Patrice Impey, General Manager, Finance, Risk & Business Planning/CFO  
Ben Russell, Director, Financial Planning & Analysis  
Gracen Chungath, Director, Operations, Planning & Program Management

FROM: Kathleen Llewellyn-Thomas  
General Manager

SUBJECT: City of Vancouver Support for Arts & Culture

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The purpose of this memo is to update Council on the investments made by the City of Vancouver in Arts and Culture over last 5 years from 2012-2016, and its commitment in 2017.

The memo provides an overall comparison of cultural investment by municipal governments in Montreal, Ottawa, Toronto, Calgary and Vancouver between 2006 and 2009 based on study conducted in 2011. The details are provided in the attached Appendix.

### Key Points:

- 1) The City's total investment and commitment towards Arts and Culture has increased by over 53% in five (5) years from \$19.6M in 2012, to \$30.1M in 2017;
- 2) Operating grants to cultural organizations have increased by 12% in the past five years a 2% per year average, and totaled \$11.5M in 2016;
- 3) In 2011, a study comparing per capita cultural investment by municipal governments across 5 Canadian cities revealed that Vancouver ranked 2<sup>nd</sup> in each year from 2006 to 2009, second only to Montréal;
- 4) The same 2011 study ranked Vancouver top City in Canada in arts and culture grants per capita, with Vancouver's grants per capita 50% higher than the next ranked City (Calgary);
- 5) The City has secured over 840,000 square feet of art and cultural space for variety of uses including - artists live and/or work studios, creation, production, presentation or office space of which over 10% has been secured since 2012;

- 6) The City supports Arts & Culture from a number of different City departments including Community Services, Engineering and the Park Board.

A review of the cultural investments will be an important component of the work to be taken on by the new Managing Director of Cultural Services to be appointed in 2017. This analysis will contribute to the rethink of the Culture Strategy to be conducted in 2017 and will inform resources needed to transform future cultural investments (operating & capital) in staffing, grants, spaces and public art in the coming years.

It is not recommended at this time to make changes to the operating grant budget without a thorough review of the organizations receiving grants, the extent of the funding (cash and & in-kind) within the ecosystem of other arts & cultural organisations, and without researching national trends in cultural investments.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Llewellyn-Thomas', written in a cursive style.

Kathleen Llewellyn-Thomas, P.Eng.  
General Manager, Community Services

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KPLT/th  
<none>

## Appendix

### 1) Summary of City of Vancouver Investments in Arts and Culture

The framework within which City grants are disbursed to grantees ensures funds are allocated to cultural non-profits across a spectrum of size and maturity. Start-up, growing, mature and established organizations all benefit from the annual grants program.

In addition to annual grants to institutions, the Community Grants stream supports festivals and community events and takes the programming to the neighbourhood level and various communities. Through the Community Grant stream the City supports and gives access to smaller and diverse organizations that are at an up-and-coming phase to get them off the ground with smaller grants.

The annual grants program is administered through a peer jury process and the number and value of grants depends on the number of applications, amount requested and jury recommendations.

Operating grants have increased in the past 5 years by over 12%, at an average of 2% per year and totaled \$10.9M in 2016.

Arts and Culture at the City is also supported with Capital grants for planning and securing cultural spaces. Arts and Culture investments are also made by the Engineering dept. (Street Activations, Special Events, Integrated Graffiti Management) and the Park Board (programming in Community Centres, neighbourhood houses and public art in parks).

Overall the City's investment and commitment has increased by over 53%, from \$19.6M in 2012 to \$30.3M in 2017.

Table 1 shows a summary of COV investments made in Art and Culture from Community Services, Engineering and Parks Board.

**Table 1:** Summary of COV investments made in Art and Culture

<b>Summary COV Arts &amp; Cultural Investments: 2012 - 2016 Actuals and 2017 Budget</b>							
	2012	2013	2014	2015	2016	2017 Budget	Comments
<b>Community Services (CS)</b>							
Total - CS - Innovation and other transition funds	-	-	100,000	402,500	745,000	250,000	Artstarts in Schools, Artscape, Mural Fest, Lumiere Fest, MOV
Total - CS - Operating Grants - Arts & Culture	10,263,094	10,218,828	10,777,618	10,695,075	10,934,740	11,507,137	
Total - CS - Promotional In-kind (TSA/Video Screen)	3,703,150	4,403,450	3,904,825	4,205,050	4,250,025	5,000,000	Up to \$5M per year available
Total - CS - Capital - Art & Culture	1,008,065	985,883	4,511,419	5,601,183	3,027,818	3,038,171	In 2017, based on prior years approval, \$3.038M is available for capital needs.
<b>Total - CS - Art &amp; Culture</b>	<b>14,974,309</b>	<b>15,608,161</b>	<b>19,293,862</b>	<b>20,903,808</b>	<b>18,957,583</b>	<b>19,795,308</b>	
<b>Engineering Services (ENG)</b>							
Total - ENG - Operating - Art & Culture	3,997,693	4,466,411	4,761,105	5,072,458	4,200,603	5,431,774	
Total - ENG - Capital - Art & Culture	-	-	-	-	2,300,000	4,225,000	
<b>Total - ENG - Art &amp; Culture</b>	<b>3,997,693</b>	<b>4,466,411</b>	<b>4,761,105</b>	<b>5,072,458</b>	<b>6,500,603</b>	<b>9,656,774</b>	
<b>Park Board (PB)</b>							
Total - PB - Operating Art & Culture	677,679	766,200	707,100	867,740	838,600	933,300	
Total - PB - Capital Art & Culture					3,000		Maintenance of Public Art – \$109K multi year budget
<b>Total - PB - Art &amp; Culture</b>	<b>677,679</b>	<b>766,200</b>	<b>707,100</b>	<b>867,740</b>	<b>841,600</b>	<b>933,300</b>	
<b>TOTAL - Arts &amp; Culture Operating &amp; Capital</b>	<b>19,649,680</b>	<b>20,840,772</b>	<b>24,762,068</b>	<b>26,844,006</b>	<b>26,299,786</b>	<b>30,385,382</b>	

## 2) Summary of COV Cultural Spaces

City has secured over 840,000 square feet of art and cultural space for variety of uses including - artists live and/or work studios, creation, production, presentation or office space of which over 100,000 square feet i.e. over 10%, has been in place since 2012. These include CAC contributions toward securing this space.

The following Table 2 provides a summary of the cultural spaces secured by the City.

**Table 2:** Summary of Arts & Cultural spaces secured by the City

<b>Summary of Arts &amp; Cultural Spaces Owned or Leased by COV as of Dec 2016</b>						
<b>City's Relation to Space</b>	<b>Type of Use</b>	<b>Total (sq.ft.)</b>	<b>Pre-2012 (sq.ft.)</b>	<b>2012-2016 (sq.ft.)</b>	<b>In process (sq.ft.)</b>	<b>Operator Names 2012-2016</b>
Own	Artist Studio	8,308	5,511	2,797		6th Ave + MC2 Marine and Cambie
Sublease	Artist Work-Only - Award Studio	11,529	960		10,569	1256 Howe St. - 17 units under construction
Own	Creation/ Production/ Presentation/ Office	438,870	356,346	82,524		York Theatre, ArtsFactory, BMO Theatre Centre, VIVO Media Arts
Sublease	Creation/ Production/ Presentation/ Office	389,338	382,752	2,784	3,802	The Post @ CBC, Kokoro @ Woodward's under construction
<b>Total</b>		<b>848,045</b>	<b>745,569</b>	<b>88,105</b>	<b>14,371</b>	

In addition - the City addressed the sign-by law & sponsorship policy to enable organization to secure corporate sponsorships funds for tenant improvements and/or cover operating costs for the cultural spaces e.g. York Theatre (home of the Cultch) and BMO Theatre 162 W 1<sup>st</sup> - (home of Bard on the Beach & Arts Club Theatre).

### 3) Municipal Funding amongst Other Sources of Revenues

The trend in the last 5 years (Table 3) indicates that the City has been providing a steady 8% of the total revenues to the City's cultural operating grantees. It has been consistent in its proportion of funding, year over year, and in comparison to the Province and Federal funding.

As operating grantees mature and increase and/or broaden their programming, it is prudent to raise the private sector funding. Strong earned revenue and private sector are indicators of publicly engaged programming and relevance of the organization in the community.

The increase of number of cultural operating grantees indicates that more organizations are maturing, stabilizing and qualifying for operating grants. From a funder's perspective there is healthy mix - of consistency of public benefit delivery, meritocracy, diversity and inclusivity of the programs.

**Table 3:** Breakdown of the Multiple Sources of Revenues for Cultural Operating Grantees

<b>2012 - 2016 Breakdown of Multiple Sources of Revenues for Cultural Operating Grantees</b>													
Year	2012		2013		2014		2015		2016		Total		Comments
No. of Orgs	100		98		95		127		126				
Earned Revenue	51,840,647	44%	51,392,457	43%	57,342,911	46%	61,648,657	46%	68,955,119	48%	291,179,791	46%	
Private Sector	30,999,462	26%	32,480,608	27%	32,297,000	26%	34,309,000	26%	35,225,200	25%	165,311,270	26%	
Federal	14,339,105	12%	13,320,803	11%	12,562,600	10%	14,129,000	11%	14,065,400	10%	68,416,908	11%	
Provincial	9,611,964	8%	12,512,626	11%	11,775,800	9%	12,957,200	10%	13,724,300	10%	60,581,890	10%	
Municipal	10,954,492	9%	9,376,325	8%	10,214,000	8%	10,494,300	8%	10,793,200	8%	51,832,317	8%	Includes COV Operating & may include other grants such as Metro Vancouver, DTES etc.
<b>Total Revenues</b>	<b>117,747,782</b>	<b>100%</b>	<b>119,084,930</b>	<b>100%</b>	<b>124,194,420</b>	<b>100%</b>	<b>133,540,299</b>	<b>100%</b>	<b>142,765,361</b>	<b>100%</b>	<b>637,332,792</b>	<b>100%</b>	

Source: CADAC (Canadian Arts Data / Données sur les arts au Canada) is a web based application dedicated to the collection, dissemination and analysis of financial and statistical information about Canadian arts organizations. A joint effort of arts funders across Canada, for arts organizations applying for operating grants.

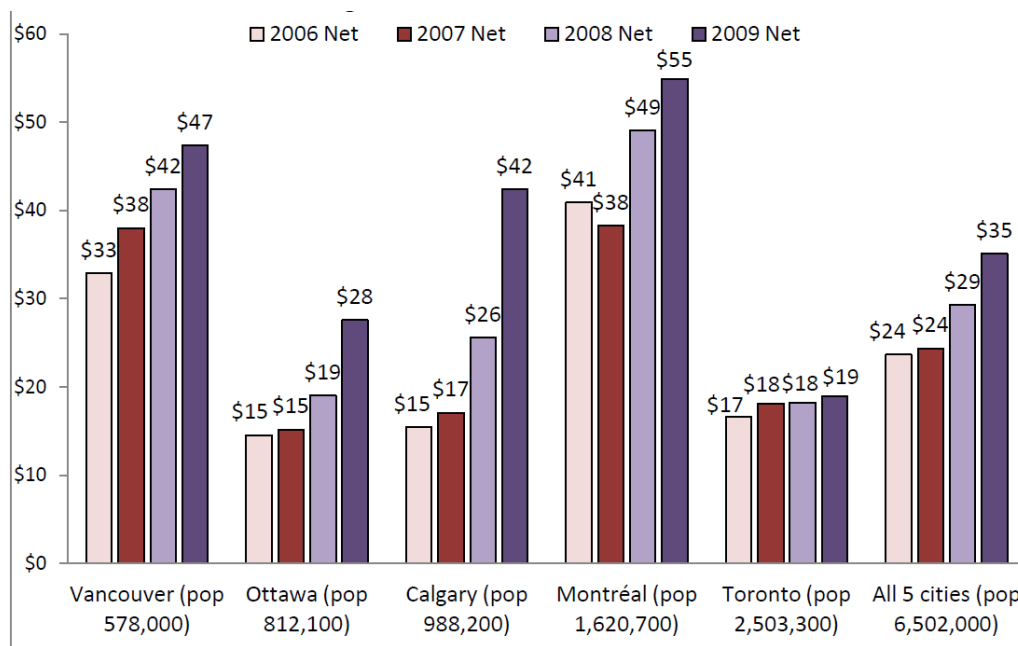
#### 4) Comparison of Vancouver to other Canadian Cities

Based on Hill Strategies Research analysis of data provided by the five cities, 2011, the following Chart 1 compares the overall cultural investment by municipal governments in Montreal, Ottawa, Toronto, Calgary and Vancouver between 2006 and 2009.

Chart 1 below shows that Vancouver invested \$47 per person in the cultural sector in 2009. The level of investment in Vancouver increased an average of 3.5% per year between 2006 and 2009. While this increase is in part due to Olympic-related cultural spending, Vancouver's investment increased in all areas between 2006 and 2009 (i.e., operating, grants and capital).

Compared with the other cities in this study, Vancouver ranked 2<sup>nd</sup> in each year from 2006 to 2009, second only to Montréal.

**Chart 1:** Per capita municipal cultural investment in five large Canadian cities, 2006 to 2009



**Table 4:** Comparison of 5 Canadian Cities in 2009

	Vancouver		Montreal		Calgary		Ottawa		Toronto	
	Net	Per Capita	Net	Per Capita	Net	Per Capita	Net	Per Capita	Net	Per Capita
Grants	\$ 16m	\$27.68	\$28.2m	\$17.40	\$18.2m	\$18.42	8.4m	\$10.34	\$18.8m	\$7.51
Operating Exp	\$ 5.4m	\$9.34	\$42.3m	\$26.10	\$3.5m	\$3.54	\$10.2m	\$12.56	\$21.3m	\$8.51
Capital	\$ 6m	\$10.38	\$18.5m	\$11.41	\$20.2m	\$20.44	\$3.8m	\$4.68	\$7.4m	\$2.96
<b>Total</b>	<b>\$ 11.4m</b>	<b>\$47.40</b>	<b>\$60.8m</b>	<b>\$54.91</b>	<b>\$41.9m</b>	<b>\$42.40</b>	<b>\$22.4m</b>	<b>\$27.58</b>	<b>\$47.5m</b>	<b>\$18.97</b>

Source: Hill Strategies Research analysis of data provided by the five cities, 2011

Vancouver ranked #1 in grants per capita with \$27.68, with Vancouver's grants per capita over 50% higher than the next ranked City (Calgary).