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To: "Direct to Mayor and Council - DL"

Date: 6/11/2026 9:48:48 AM

Subject: Memo – Urgent Investment in Arts and Culture - RTS 18259 (2026-06-11)

Attachments: ACCS - GM - Memo (Council) - Urgent Investment in Arts and Cultural Memo - RTS 18259 (2026-06-11).pdf

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Dear Mayor and Council,

Please find attached a memo that reports back on Council's July 23, 2025 [Urgent Investment in Vancouver's Arts and Culture Infrastructure: Strengthening Vancouver's Cultural Sustainability and Economic Impact motion](#). The memo includes:

1. Sector Working Group overview including the membership and a joint statement
2. Summaries of the most significant eight challenges facing the arts and culture community and associated priority solutions proposed by the Working Group
3. Synthesis of existing City supports and initiatives centered on the Working Group identified challenges and solutions and in response to Clause B of the Council motion
4. Summary of a jurisdictional scan assessing best practices from 20 cities to support long-term sustainability for the arts and culture community, including grassroots festivals and cultural facilities

If Council requires further information, please feel free to contact me at [margaret.wittgens@vancouver.ca](mailto:margaret.wittgens@vancouver.ca) and a response will be provided through the weekly Council Q&A.

Thank you,  
Margaret

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*The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh Peoples*

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## MEMORANDUM

June 11, 2026

TO: Mayor and Council

CC: City Leadership Team  
Donny van Dyk, City Manager  
Jason Twa, City Clerk  
Mellisa Morphy, Acting Chief of Staff, Mayor's Office

FROM: Margaret Wittgens  
General Manager, Arts, Culture & Community Services

SUBJECT: Report Back: Urgent Investment in Vancouver's Arts and Culture Infrastructure:  
Strengthening Vancouver's Cultural Sustainability and Economic Impact

RTS #: 18259

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### PURPOSE

This memo responds to the July 2025 Council motion titled [\*Urgent Investment in Vancouver's Arts and Culture Infrastructure: Strengthening Vancouver's Cultural Sustainability and Economic Impact\*](#). This memo provides a summary of:

1. The ongoing challenges facing the arts and culture sector, and priority solutions to strengthen the City's support to the arts and culture sector as identified by the Sector Working Group;
2. The status of related City supports and initiatives.

### BACKGROUND

On July 23, 2025, Council passed the motion, *Urgent Investment in Vancouver's Arts and Culture Infrastructure: Strengthening Vancouver's Cultural Sustainability and Economic Impact*, directing staff to convene a Sector Working Group, and report back on strategies to strengthen City support, and the Mayor to write to the Provincial and Federal governments.

Arts and culture are core to Vancouver's identity and economic vitality. The sector supports healthy communities, social connection, tourism and employment, and reconciliation with Indigenous Peoples. Vancouver has one of the highest concentrations of artists and cultural workers in Canada, underscoring arts and culture as a strategic civic asset. The City has set out key strategic priorities related to arts and culture with *Vibrant Vancouver*, *Culture|Shift*, *Making Space for Arts and Culture* and the *Vancouver Music Strategy*, yet the arts and culture sector is

facing challenges, with affordability and displacement being the most acute. These pressures are compounded by increasing costs, funding instability, aging facilities, and post-pandemic revenue losses.

## DISCUSSION

As directed by the motion, and in consultation with the Arts and Culture Advisory Committee (“ACAC”), staff established a Sector Working Group (the “Working Group”) inviting twelve arts and culture leaders from a broad range of artistic disciplines and lived experiences, including representatives from arts service organizations and City advisory bodies. A summary of the Working Group and their joint statement related to this work is included in Appendix A.

The Working Group discussed and prioritized the most significant challenges facing the arts and culture sector (Appendix B) and identified priority solutions to address these challenges (Appendix C). The Working Group deliberations were informed by deep sector and community experience, a staff-led jurisdictional scan (Appendix D) and a synthesis of existing City supports and initiatives. A staff response to Clause B of the motion, directing staff to report back with strategies to further strengthen the City’s support for arts and culture, is included in Appendix E.

### Working Group-Prioritized Challenges Facing the Sector

The Working Group identified eight key challenges facing the arts and culture sector and prioritized the five outlined below:

Challenge	Description
Threatened non-profit financial viability	Non-profit organizations face increasing financial instability due to rising operating costs, decreasing revenues, and uncertain funding streams. These pressures threaten their ability to operate sustainably, retain staff, and deliver long-term community impact.
Threatened festival viability	Festivals face growing challenges from rising costs, decreasing revenues, funding uncertainty, and logistical pressures. These conditions threaten their financial stability and long-term survival.
Need for more suitable, affordable, accessible and stable cultural spaces	Artists and cultural groups increasingly struggle to find appropriate space. Rising costs, insecure tenure, and limited availability make it difficult to sustain cultural activities.
Regulatory barriers for the cultural sector	Regulatory and administrative barriers and fees can limit access to spaces, delay projects, and strain already limited resources.
Non-profit leadership and workforce continuity and conditions	Non-profit organizations face challenges maintaining stable leadership and a skilled workforce due to funding uncertainty, workload pressures, limited compensation, and pandemic workforce transitions. These conditions contribute to burnout, staff turnover, and reduced organizational continuity and capacity.

These challenges strongly correlate with the *Culture|Shift* priorities and other key City strategies.

## Working Group Priority Solutions to Strengthen Support for Arts & Culture

To address these challenges, the Working Group identified nine priority solutions for the City's consideration, based on the review of existing City supports and initiatives, a jurisdictional scan of best practices, and Working Group expertise and discussion.

<b>Threatened NPO financial viability; &amp; Threatened festival viability</b>
Increase City funding for arts and culture NPOs, index grants to inflation and offer predictable operating funding
Increase City funding for festivals through a dedicated program
Explore new and existing funding sources to expand support for arts and culture i.e. hotel or tourism tax, levy, venue surcharge, etc.

<b>Need for more suitable, affordable, and stable cultural spaces</b>
Increase funding for the expansion, maintenance, and renewal of capital infrastructure and ongoing operational costs
Leverage relationships, both in the private and public sector, to facilitate financing (e.g. capital stacking) for cultural infrastructure
Introduce subsidies and/or tax incentives to improve affordability for cultural spaces

<b>Regulatory barriers for the cultural sector</b>
Improve access to vacant space
Reassess and simplify processes, and explore ways to lower costs, for permitting, licensing, and regulatory requirements
Prevent displacement through early interventions

Staff met with staff from Canadian Heritage, The Province of BC and the BC Arts Council to present a summary of the Working Group priority challenges and solutions, and explore areas for ongoing and further collaboration, including a discussion on the Council motion (Clause B) direction to explore the feasibility of a potential intergovernmental funding strategy and shared governance model, public reporting, and funding tools for arts and culture. Federal and Provincial staff indicated that there is currently no capacity to explore an intergovernmental funding strategy and shared governance model, however all parties are committed to continuing to collaborate on opportunities for improvement and alignment of processes and data as feasible.

### **NEXT STEPS**

Staff will continue to progress the City's priorities and programs within the authority and resources available. There are a number of relevant Council motions, that align with some of the solutions identified in this memo, which staff will report back to Council on by Q1 2027. This includes several festival related motions.

### **FINAL REMARKS**

This memo and appendices provide a high-level summary of the work completed and underway to address the Council motion for the City's urgent support of, and investment in, Vancouver's arts and culture sector.

If Council requires further information, please feel free to contact me directly at [margaret.wittgens@vancouver.ca](mailto:margaret.wittgens@vancouver.ca) and we will provide response through the weekly Council Q&A.

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## APPENDIX A Overview of the Arts and Culture Working Group

Staff express sincere appreciation to the members of the Working Group for their time, volunteer contributions, professional expertise, and for sharing their lived experience. Their insights and engagement were essential to advancing this work.

**Working Group Purpose:** Prioritize key sector challenges and provide recommendations to City staff to better support Vancouver’s vibrant Arts and Culture sector. Recommendations to include priority amendments to city policies, initiatives, and services; and advocacy opportunities to the Province and Federal governments.

### **Working Group Members (12):**

- Alen Dominguez (Newworld Theatre, C-Space)
- Anna Hilliar (BC Music Festival Collective)
- Brent Constantine (Little Mountain Gallery)
- Brian McBay (221A)
- Chelsea Carlson (Savage Society)
- Dominic Lai (Dragon Boat BC)
- Kaile Shilling (Writer & Consultant)
- Moroti George (Gallery Gachet)
- Paige Frewer (Birdhouse and Malkin Studios)
- Rainbow Robert (BC Alliance for Arts + Culture)
- Sharon Fortney (Museum of Vancouver)
- Shora Parvaresh (Architect)

### **Working Group Joint Statement, May 25, 2026:**

Vancouver’s 37,000+ jobs<sup>1</sup> in Arts and Culture are at urgent risk. Arts and culture tourism has triple the economic impact of other types of tourism, and Canadian exports of cultural goods and services have doubled since 2011, reaching an all-time high in 2023 with \$27.1 billion<sup>2</sup>. With the highest population of Artists and Cultural Workers in the country<sup>3</sup>, Vancouver’s cultural community is grappling with a lack of funding, regulatory barriers, changing audience behaviour, housing affordability, artificial intelligence, and the loss of space and talent. The sector requires significant and sustained investment in cultural infrastructure and workers.

While the importance of Arts and Culture is frequently acknowledged publicly, the sector continues to face declining stability, rising costs<sup>4</sup>, and insufficient long-term investment. Vancouver continues to lose independent venues<sup>5</sup>, rehearsal spaces, artist studios, and cultural gathering places at a pace that threatens the long-term sustainability of the sector<sup>6</sup>.

The Arts and Culture Working Group (ACWG) envisions a vibrant future for Vancouver<sup>7</sup>, where the city is a world leader in the arts, a force for social cohesion, identity formation, and sustainable economic development driven by our unique position as an international cultural city on the Pacific coast. We envision a Vancouver that thinks outside the box and values its arts workers and cultural ecosystem; a Vancouver that centres truth and reconciliation with

<sup>1</sup> 2011 Census data via [Artists and Cultural Workers in Canadian Municipalities - Hill Strategies Research Inc](#)

<sup>2</sup> [The Impact of the Arts | Canada Council for the Arts](#)

<sup>3</sup> [Artists and Cultural Workers in Canadian Municipalities - Hill Strategies Research Inc](#)

<sup>4</sup> [Resisting Renoviction and Displacement Through Cultural Land Trusts: Art and Performance Spaces, Pop-Ups, DIYs, and Protest Raves in Vancouver](#), S Ross, *Yale Journal of Law & the Humanities*, 2022

<sup>5</sup> [City Without Art Report](#), Eastside Culture Crawl Society, 2019

<sup>6</sup> [Making Space for Arts and Culture](#), City of Vancouver

<sup>7</sup> [Vibrant Vancouver: City Council's Strategic Priorities 2023-2026](#)

Musqueam, Squamish, and Tsleil-Waututh Nations, prioritizes creativity, celebrates our city, and enhances our global reach.

**But we need help.** We need City Council to join us in building that vibrant future by standing behind arts and culture through sustainable funding, tax incentives, and infrastructure tools found in Canada, the UK and other jurisdictions around the world by aligning with the City's Culture|Shift Plan<sup>8</sup>.

In July 2025, the City of Vancouver Arts and Culture Advisory Committee (ACAC) presented a motion<sup>9</sup> to Council to substantially and sustainably increase support for the arts and culture sector. The original motion was significantly amended<sup>10</sup> into a version that removed much of the specificity and urgency requested by the sector, and staff were asked to continue work through the ACWG. During the past several months, the Working Group identified the recurring priorities included in this Council memo as well as the need for future major events in Vancouver to include conditions requiring the bid proponent to engage the arts and culture community in the event's operations or programming.

The ACWG would like to thank the City of Vancouver Arts and Culture staff who have been working diligently behind the scenes and who are passionately committed to supporting the sector they represent.

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<sup>8</sup> [Culture|Shift | City of Vancouver](#)

<sup>9</sup> [ACAC original motion – “Urgent Investment in Vancouver’s Arts and Culture Infrastructure: Strengthening Vancouver’s Cultural Sustainability and Economic Impact”](#)

<sup>10</sup> [Amended motion to support Vancouver's art community a 'slap in the face,' says councillor | CBC News](#)

**APPENDIX B**  
**Working Group Prioritized Arts & Culture Sector Challenges**

**Council Motion:** Identify and articulate the ongoing challenges facing the industry at a time of economic uncertainty and the risk of rising costs related to tariffs.

The following eight challenges were identified by the Working Group, with the first five as the most pertinent challenges currently impacting the local arts and culture community:

Challenge	Key Contributing Factors
<p><b>Threatened non-profit financial viability</b></p>	<ul style="list-style-type: none"> <li>• Cost of operations and artistic production, are increasing due to rising costs, inflation, U.S. tariffs</li> <li>• Revenues are decreasing due to ongoing economic recovery, changing audience habits, decline in corporate sponsorships, terminated grant programs (e.g., BCFFE), grant increases not keeping up with inflation, and a broader pool of grant applicants</li> <li>• There is ongoing need to better leverage private funding and unlock additional revenue streams</li> <li>• Core funding is critical, yet remains the most difficult to secure</li> <li>• Funding structures can be restrictive and inflexible, and do not encourage innovation</li> </ul>
<p><b>Threatened festival viability</b></p>	<ul style="list-style-type: none"> <li>• Operational costs are increasing, often associated with talent attraction, outdoor infrastructure costs, permitting, public safety and policing</li> <li>• Grants are becoming more competitive, while grant amounts are declining (due to more applicants and less funds)</li> <li>• Sponsorships and private sector revenues have decreased significantly</li> <li>• Festival funding from other levels of government is uncertain</li> <li>• The ongoing cost of living crisis has resulted in changing audience habits and less reliable ticket revenues</li> <li>• The City’s permitting process can be challenging and disproportionately onerous for grassroots events</li> <li>• FestShare support for outdoor events applies to City spaces (i.e., streets, plazas, sidewalks) only and not spaces managed by Vancouver Parks</li> </ul>
<p><b>Need for more suitable, affordable, accessible and stable cultural spaces</b></p>	<ul style="list-style-type: none"> <li>• Artists often lease spaces with unrealized development potential and associated high property taxes that lead to ongoing displacement and high rents</li> <li>• There is a need for more protection of existing spaces, few cultural spaces have tenancy protections</li> <li>• Rehabilitation, replacement, and expansion costs have increased dramatically</li> <li>• There is a lack of incentives to develop new spaces due to uncertainty, regulatory context and increased costs</li> </ul>

	<ul style="list-style-type: none"> <li>• Cultural spaces often compete with other community amenity priorities in new development</li> <li>• There is limited access to outdoor events spaces with necessary infrastructure, carrying capacity and appropriate layout</li> <li>• Affordable industrial land for artist studio production use is eroding, due to introduction of new uses (including residential, creative products manufacturing, etc.)</li> <li>• Legislative changes are reducing opportunities to secure in-kind CAC cultural spaces</li> <li>• Deferral of maintenance and upgrades for City-owned buildings impacts daily operations and long-term sustainability of the facilities</li> </ul>
<b>Regulatory barriers for the cultural sector</b>	<ul style="list-style-type: none"> <li>• Permitting timelines and costs, including development and building permits, arts event licences etc., are onerous and hard to navigate, increasing workload, costs, and putting operations in jeopardy</li> <li>• Rigid zoning classifications and lack of landlord incentives make it difficult to occupy vacant spaces and to support multi-use spaces</li> <li>• Multiple jurisdictions (e.g., DBL, FASE, Parks) for event permitting creates confusion</li> <li>• Noise regulations for special events and commercial premises are not keeping pace with Vancouver’s evolving music, arts, and culture sectors</li> </ul>
<b>Non-profit leadership and workforce continuity and conditions</b>	<ul style="list-style-type: none"> <li>• There are widespread workforce challenges, such as low wages, burnout, lack of mentorship, and succession planning</li> <li>• Indigenous, Black, and People of Color artists and cultural workers lack appropriate mentorship and professional development opportunities</li> <li>• There is high turnover and downsizing workforce in local art leadership across art and culture sector, particularity for smaller organizations creating uncertainty and loss of knowledge</li> </ul>
<b>Threat of erasure (Indigenous Arts &amp; Culture)</b>	<ul style="list-style-type: none"> <li>• Colonial practices<sup>11</sup> prevent visibility for xʷməθkʷəy̓əm (Musqueam), Sk̓wx̓wú7mesh Úxwumixw (Squamish), and səliłwətał (Tseil-Waututh) and fair support for Indigenous culture</li> <li>• There is opportunity for more cultural awareness and knowledge of protocols to improve cultural safety</li> <li>• There is a need for culturally appropriate space</li> <li>• There is opportunity for more Indigenous representation across the arts and cultural sector</li> </ul>
<b>Equity-deserving groups disproportionately and uniquely</b>	<ul style="list-style-type: none"> <li>• There are systemic barriers impacting operations and access to resources</li> <li>• Equity-deserving groups are disproportionately affected by budget pressures</li> </ul>

<sup>11</sup> e.g. tokenization of Indigenous artistic and cultural practice, lack of recognition of Indigenous artistic credentials

<p><b>impacted by sector challenges</b></p>	<ul style="list-style-type: none"> <li>• There is a need to redistribute funds and increase budget for targeted programs</li> <li>• Private sector funds favour communities that have funds and access to decision-makers, perpetuating historic and cultural erasure</li> <li>• There is the need for more affordable and accessible multipurpose spaces to practice activities related to cultural heritage</li> </ul>
<p><b>Challenges leveraging funding across levels of government</b></p>	<ul style="list-style-type: none"> <li>• Intergovernmental coordination is limited</li> <li>• Applications, timelines, milestones and reporting requirements are inconsistent</li> <li>• Matching funds for cultural infrastructure are reduced or restricted</li> <li>• There is lack of alignment on cultural redress priorities</li> </ul>

## APPENDIX C Working Group Priority Solutions and Status

**Council Motion:** Provide recommendations to council for policy initiatives that can better support Vancouver’s vibrant Arts and Culture sector.

The following priority solutions were developed by the Working Group in response to the top four prioritised Arts and Culture sector challenges outlined in Appendix A (non-profit and festival viability combined below). These solutions considered the best practices and strategic initiatives of other municipalities outlined in the jurisdictional scan in Appendix D, and the current status of City of Vancouver related priorities and initiatives.

The status of related City of Vancouver work is identified in the table. Where there is no status identified, Council direction, budget and/or policy changes would be required to advance the proposed solutions.

A number of jurisdictions are cited below to provide illustrative examples of similar solutions underway as identified through the jurisdictional scan. Future Vancouver specific solutions may not fully replicate those of the other cities due to the local structures, authorities and context.

<b>Challenges (combined): Threatened non-profit financial viability; &amp; Threatened festival viability</b>		
<b>Working Group Priority Solution</b>	<b>Working Group Recommended Implementation Options</b>	<b>Status of related City of Vancouver work</b>
Increase City funding for arts and culture NPOs, index grants to inflation and offer predictable operating funding  (Toronto, Melbourne)	Increase City cultural grants operating budget, indexed to annual inflation, including multi-year grants	
Increase City funding for festivals through a dedicated program  (Toronto, Ottawa)	Explore new City grant program for festivals	<b>In Progress</b> Staff to report back to Council on the April 2026 <a href="#">Festival Support Fund motion</a> by Q1, 2027
Explore new and existing funding sources to expand support for arts and culture  (Halifax, Edinburgh)	Advocate to provincial and federal governments for funding through new and existing tax tools (e.g. MRDT, FIFA tax, hotel levy, tourism tax, venue surcharges, regional sales tax)	

<b>Challenge: Need for more suitable, affordable, accessible and stable cultural spaces</b>		
<b>Working Group Priority Solution</b>	<b>Working Group Recommended Implementation Options</b>	<b>Status of related City of Vancouver work</b>
<p>Increase funding for the expansion, maintenance, and renewal of capital infrastructure and ongoing operational costs</p> <p>(Calgary)</p>	Increase City budget for cultural spaces	
	Inventory City-owned buildings to determine lifecycle status and facilitate budget planning	<p><b>In Progress</b></p> <p>Council passed a motion to direct staff to increase the Infrastructure Levy from 1-2% to reduce the infrastructure deficit by 2045 - <a href="#">VanStat: Facilities Condition and Maintenance motion</a></p>
	Allocate development contributions for capital maintenance, lifecycle planning, and operations, (noting Provincial legislative changes may be required because under existing legislation, DCLs and ACCs cannot be used for maintenance and operations)	
<p>Leverage relationships, both in the private and public sector, to facilitate financing (e.g. capital stacking) for cultural infrastructure</p> <p>(Melbourne)</p>	Advocate to the provincial and federal governments to support capital stacking and strategic investment.	<p><b>In Progress</b> staff-level discussions ongoing</p>
	Explore ways to help arts groups access private sector revenues	
<p>Introduce subsidies and/or tax incentives to improve affordability for cultural spaces</p> <p>(Toronto, Montreal)</p>	Explore property tax rebates for cultural spaces and/or for landlords offering below market rent to cultural groups	<p><b>In Progress</b></p> <p>Staff to report back to Council on the <a href="#">Managing and Mitigating Development Pressure on Existing Small Business, Arts, and Non-Profit Uses</a> motion (May 2026)</p> <p>Note that non-profit organizations are currently supported through existing statutory property tax</p>

		exemptions (Vancouver Charter 396(1)) and the City's grant programs.
	Explore rent subsidies for cultural spaces and/or for landlords offering below market rent to cultural groups	

**Challenge: Regulatory barriers for the cultural sector**

<b>Working Group Priority Solution</b>	<b>Working Group Recommended Implementation Options</b>	<b>Status of related City of Vancouver work</b>
Improve access to vacant space  (London, Calgary)	Expand Temporary Occupancy Permit Pilot (TOPP).	<b>In Progress</b>  Staff to report back following the review of the TOPP Pilot
	Expand the Artist and Culture Events License.	<b>Completed</b>  In <a href="#">October 2023</a> , City Council approved <a href="#">3 pivotal</a> changes to the arts and culture event licence.
Reassess and simplify processes, and explore ways to lower costs, for permitting, licensing, and regulatory requirements  (Toronto, Santa Monica, Baltimore)	Review reclassification and upgrade requirements specific to the arts and culture sector.	<b>Not Started</b>  Prioritizing the development of the Arts Facility Zoning is a key action identified in <a href="#">Making Space for Arts and Culture</a>  Potential for staff to consider implications of potential amendments to the Vancouver Building By-law (VBBL) and Zoning and Development By-law to further simplify and align City policies, licences, permits, bylaws, zoning, and other regulatory requirements
	Simplify and streamline the permitting processes for special events.	<b>In Progress</b>  July 2022, <a href="#">Making it easier to Host Outdoor Festivals and Events in Vancouver.</a>

		Staff are developing longer-term plans related to event public safety and will report back to Council
	Improve the digital tool to navigate permitting, development and licensing.	<b>In Progress</b> Digital Transformation Project underway
	Create a Navigator position &/or develop/promote existing city and non-city resources and tools to navigate the complex City permitting processes and regulatory pathways for the cultural sector	<b>Report Back Complete</b> The November 7, 2025 <a href="#">memo</a> in response to the <a href="#">Taking Action to Protect and Expand Arts and Culture Spaces</a> motion (May 29, 2024) included a summary of staff initiatives to address regulatory support and use flexibility. Staff are focused on improving all processes and tools for all applicants. Establishing a Navigator position for specific sectors and community groups is deemed unfeasible from a resource perspective. <b>In Progress</b> The existing Commercial Renovation Centre provides navigation support. Staff to continue to explore and promote tools to support applicants navigating City systems and processes
Prevent displacement through early interventions  (San Francisco)	Support the development of Cultural Districts and Cultural Land Trusts.	<b>In Progress</b> Existing <i>Culture Shift</i> priority, Capital grants have been provided to the Eastside Arts Society and 221A to advance this work

## APPENDIX D Jurisdictional Scan

**Council Motion:** Assess best practices from other cities to support long-term sustainability for grassroots festivals and cultural facilities.

**Approach:**

- Staff scanned 20 cities, including 8 Canadian and 12 international, for innovative approaches and best practices with a focus on the top 5 challenges identified by the Working Group
- Surveyed targeted funding programs festivals and cultural spaces
- Reviewed the jurisdictional scan conducted as part of the 2024 Municipal Grants Review

The research included a review of different models and approaches for the delivery of municipal support, in these general categories:

- **Municipal:** A single authority such as Mayor & Council in charge of policy and decision making. Examples: Vancouver, Montreal, Berlin, New York
- **Decentralized:** Authority is shared across multiple entities. Examples: Calgary Arts & Development, Greater London Authority
- **Other:** A hybrid model where authority may be delegated or shared between public and private bodies. Examples: Creative Scotland (Edinburgh), Creative Victoria (Melbourne)

**Challenge: Threatened non-profit financial viability**

Municipality	Initiative	Description
City of Toronto / Toronto Arts Council	Inflation Indexed Stabilization and Baseline Funding	A 2.5% increase in cultural funding to address rising costs (2026), and a commitment to multi-year operating funding through the Toronto Arts Council.
City of Melbourne	Multi-year Funding and Arts and Creative Investment Partnerships	A strategic funding model that combines multi-year public investment with partnerships and co-investment.
City of London (UK)	<a href="#">Culture at Risk Office (CARO)</a>	Responds to financial pressures threatening cultural organizations, including rising operational costs to support cultural organizations and venues at risk of closure or displacement.
City of Halifax	<a href="#">Marketing Levy Special Event Reserve</a>	Funding for large-scale non-profit events that support tourism and economic development. Funded through a hotel marketing levy and structured across four event tiers.
City of Edinburgh	<a href="#">Visitor Levy-Funded Festival &amp; Event Stabilization</a>	5% levy on overnight stays, revenue to support city infrastructure and services, with a portion allocated to culture, heritage & events.

### Challenge: Threatened festival viability

Municipality	Initiative	Description
City of Toronto	<a href="#">Cultural Festivals Funding Program</a> and <a href="#">Special Events Stabilization Initiative</a>	Investment to provide targeted support for festivals facing rising operational costs. Programs launched in 2022 and 2024, with over \$4 million distributed in 2025.
City of Ottawa / Ottawa Tourism	<a href="#">Major Festivals Fund</a>	The Major Festivals Fund is a two-year pilot providing \$1 million annually to support large, tourism-generating festivals announced in 2025.
City of Santa Monica	<a href="#">Signature Events</a>	Designates long-standing community events and provides automatic fee waivers and streamlined approvals, replacing a case-by-case permitting approach.
City of Melbourne	Event infrastructure & Marketing Supports	Investment in event-ready public spaces, built-in infrastructure and standardized processes, enabling shared use across events. Tiered marketing support through Event Partnerships.
City of Ottawa	Coordinated Festival Support (Multi-Agency Model)	Festival delivery via an Event Central Office and Special Events Advisory Team, providing a single point of contact and unified, cross-agency permitting process.

### Challenge: Need for more suitable, affordable, accessible and stable cultural spaces

Municipality	Initiative	Description
City of San Francisco	Legacy Business Program	Designation of culturally significant businesses. Landlord incentives and rent stabilization grants to secure long-term, below-market leases.
City of Toronto	<a href="#">Creative Co-Location Property Tax Subclass</a>	Tax reductions offered to buildings that provide below-market, multi-tenant cultural space.
City of Montreal	Subvention aux artistes en arts visuels et en métiers d'art	Annual rent-based subsidies for non-residential artistic workspaces.
City of Calgary / Calgary Arts and Development	Cultural Spaces Strategic Update (Life-Cycle Funding Approach)	Life-cycle approach to cultural infrastructure, emphasizing balanced investment across development, maintenance and renewal, with a focus on sustaining and upgrading existing spaces.

### Challenge: Regulatory barriers for the cultural sector

Municipality	Initiative	Description
City of Calgary / Calgary Arts	<a href="#">SPACE PILOT</a>	Matches artists and non-profits with vacant spaces through centralized brokerage, enabling temporary use of underutilized buildings.

and Development		
City of London, UK / Greater London Authority	Creative Enterprise Zones	Alignment of planning, funding and incentives to support affordable creative workspace and retain cultural businesses, delivering significant new space
City of Toronto	<a href="#">Special Event Permit Navigator (Digital)</a>	A digital tool to streamline multi-department permitting by providing applicants with tailored requirements, timelines and contacts.
City of Baltimore	<a href="#">Mayor's Office of Arts, Culture &amp; Entertainment (MOACE)</a>	A centralized hub connecting artists and cultural organizations with City services, helping coordinate permits, events and creative sector support across departments.

**Challenge: Non-profit leadership and workforce continuity and conditions**

Municipality	Initiative	Description
City of Montréal & Conseil des arts de Montréal	Workforce & Career Development Support	Supports workforce sustainability with multi-year operating funding and programs for emerging and mid-career artists.
City of London, UK	Good Work Standard	Employment criteria on fair pay and working conditions that organizations are encouraged or required to meet to access public support or recognition.
City of Boston / Third Sector New England	Third Sector New England (TSNE) Shared Services & Nonprofit Centers	Shared back-office services such as accounting, HR and payroll through a centralized model to reduce administrative burden and focus on program delivery.
City of New York	Baselined Operating Support & Workforce Stabilization & Development	Provide predictable funding for arts organizations, alongside workforce development programs that support training and career pathways for creative workers.

See Appendix E for a more fulsome response to the Council motion Clause B related to potential funding tools, specifically The Municipal and Regional District Tax, Venue surcharges and commercial development contributions.

## APPENDIX E Council Motion Clause B - Strategies

**Council Motion (Clause B):** Report back with strategies to further strengthen the City's support for arts and culture, including but not limited to:

- Establishing mechanisms to ensure the streamlining of permitting, liquor and special-event approvals for artists and cultural non-profits is prioritized as part of the City's ongoing work to improve permitting timelines;
- Assessing best practices from other cities to support long-term sustainability for grassroots festivals and cultural facilities;
- Reviewing potential funding tools, such as dedicated contributions from commercial developments or venue surcharges, that may require provincial authorization;
- Leveraging provincial and federal funds for capital and operational investment

**Approach:** Various departments across the City collaborated to identify and summarize the City's current and potential priorities and efforts to further strengthen the City's support for the arts and culture sector. The following summary responds to the specific areas in Clause B of the July 2025 motion.

### **Strategies and Considerations:**

#### *1. Streamline Permitting & Licensing*

The November 7, 2025 [memo](#), in response to the [Taking Action to Protect and Expand Arts and Culture Spaces](#) motion (May 29, 2024), included a summary of initiatives advanced by staff in Development, Building, and Licensing (DBL) to address regulatory support and use flexibility.

Cross departmental teams have continued to remove regulatory barriers and provide regulatory support for arts and culture groups navigating permitting, renovations, and development of their spaces through the creation of the Cultural Spaces Regulatory Consultant Pilot and enhanced inter-departmental collaboration. Staff are exploring the opportunity to extend the pilot.

In September 2023, the City's Arts and Culture Event Licence Program brought forward enhancements to the existing program. The resulting [policy report](#) had three pivotal recommendations.

- **Expanding opportunities:** Increasing the maximum number of permissible days for arts events from three (3) to six (6) days per month. This change comes with increased fire and life safety requirements.
- **Amplifying the experience:** Introducing options for arts event organizers to undertake a special event plan check to increase the maximum occupancy load beyond 250 people, subject to full compliance with the Vancouver Fire By-law.
- **Beyond four walls:** Allowing arts events the opportunity to utilize adjoining outdoor spaces, such as parking lots on private property, under the same licence.

The City's liquor policy was updated in [July 2025](#) to allow for extended hours and to simplify the regulatory framework, removing probationary restrictions for new businesses, the opportunity to extend special event hours and updating security requirements to allow for better flexibility.

The [Downtown Eastside Temporary Occupancy Permit Pilot](#) (DTES TOPP) is a 2-year initiative started in January 2026. The pilot aims to help fill vacant storefronts in the DTES through a simplified permit process, making it easier to test business ideas or operate a short-term pop-up.

Vacant spaces that meet the [pilot criteria](#) do not need a development permit and can benefit with a temporary occupancy for up to 24 months, as long as the space meets the [building life safety requirements](#).

It includes free inspections to confirm whether the space meets the building life safety requirements and identifies the changes needed.

A dedicated application stream, with staff, was created to support throughout the process. There is also an option to apply for permanent occupancy before the 24 months end, which may require upgrades

Staff will continue to progress existing work to streamline permitting and licensing processing and assess the impact of the TOPP program changes to the liquor policy and the Arts and Culture Event Licence Program. Staff will report back following a review of the TOPP program pilot.

## 2. *Identify Best Practices for the Sustainability of Festivals and Cultural Facilities*

A scan of best practices to support the long-term sustainability of festivals and cultural facilities was completed as part of the jurisdictional scan (Appendix D). Staff surveyed 22 municipal granting programs providing support for festivals and cultural spaces.

Staff will report back to Council in Q1 2027 with a consolidated response to a number of festival motions with recommendations to further support festivals in Vancouver.

## 3. *Investigate Potential Funding Tools*

The jurisdictional scan (Appendix D) identified various funding tools, such as tourism levies, taxes, and venue surcharges, that cities use to support arts and culture. Appendix C includes an overview of tourism levies implemented by the City of Halifax and the City of Edinburgh, with additional examples below:

<b>Municipality</b>	<b>Initiative</b>	<b>Description</b>
City of Denver	Scientific and Cultural Facilities District	The Denver Scientific and Cultural Facilities District applies a dedicated regional sales tax, generating stable annual funding that is distributed across large, mid-sized and community cultural organizations through a tiered allocation model.
City of Barcelona / Region of Catalonia	Tourism Tax (Catalonia + Municipal Surcharge)	Barcelona applies a per-night tourism tax (approximately €7–€12 depending on accommodation type) collected through accommodations, combining a regional tax and municipal surcharge, with a portion of revenues directed to tourism promotion, public infrastructure and cultural programming.

City of Manchester	Accommodation Business Improvement District (ABID)	Manchester’s ABID applies a £1 per night, industry-led levy on hotel stays, with revenues ring-fenced to fund festivals, cultural programming and destination marketing.
South Africa	Tourism Marketing South Africa Levy	South Africa’s TOMSA levy is a voluntary 1% charge applied across tourism services, including accommodation, car rentals and tours, funding national tourism promotion and supporting demand for cultural experiences.
Centre national de la musique (CNM), France	Live Music Ticket Levy	France applies a levy on live music ticket sales, administered by the Centre national de la musique, a national public body, with revenues reinvested directly into the music sector through grants for artists, venues and festivals.
City of Las Vegas	Entertainment / Live Entertainment Tax	The State of Nevada applies a 9% Live Entertainment Tax on ticketed events, capturing revenue from concerts, festivals and nightlife, which contributes to public funding supporting tourism-related infrastructure and services.
New Orleans	Tourism and Event Tax Funding for Culture	New Orleans directs a portion of tourism and event-related tax revenues, through dedicated allocations and partnerships, to the New Orleans Jazz & Heritage Foundation, supporting cultural programming, festivals and grants for local artists.

Staff have identified a number of factors that may impact the feasibility of each approach in Vancouver, including the City’s jurisdictional authority under the Vancouver Charter and the ownership structure of the local major venues. A summary of three potential funding tools are outlined below:

- **The Municipal and Regional District Tax (MRDT)** is a 3% provincial sales tax that applies to short-term accommodation to support tourism marketing, programs and projects.
  - The **Major Events MRDT** is an additional temporary tax of 2.5% on accommodation to support communities that have expenses associated with hosting international major events, i.e. FIFA. The tax applies to sales of short-term accommodation provided in Vancouver, effective February 1, 2023, until January 31, 2030.
  - As the Major Events MRDT approaches its 2030 sunset, there may be an opportunity to advocate to the Province for a new application of the tax mechanism that supports destination arts and culture festivals and events demonstrating measurable tourism impact. Any such initiative would require Council direction and Provincial approval.
- **Venue surcharges** - A variety of venues and ticketing services fees already exist, which are the responsibility of the presenter or booking client who may choose to pass on some or all of these surcharges to ticket buyers. These surcharges may include facility renewal fees charged by venues to support capital upkeep of their facilities. In-house or authorized ticketing service providers also apply handling and transaction fees to cover the costs of

their operations. In addition to applicable taxes, these surcharges increase the price of the ticket and may become cost-prohibitive to the ticket buyers. It is important to ensure that venue fees increase support for arts and culture presentation, instead of negatively impacting ticket sales, audience development, and creative production. This is an issue for all arts and culture venues but especially for the small to mid-size spaces where it is more difficult to recover the costs of production and presenting. Small and mid-sized venues are already struggling to operate, and liquor sales are required to break even, impacted by provincial liquor regulations and decreasing alcohol consumption.

- **Commercial development contributions** – Opportunities for dedicated contributions from commercial developments are limited as there is currently a lack of capacity for developers of commercial developments to make additional development contributions beyond DCL/ACCs. In December 2025 Council [approved](#) a significant cut to DCL rates to support development viability. This can be reassessed as market conditions adjust.

Additional work would need to be completed to assess the feasibility of implementing these solutions in a Vancouver context.

#### *4. Explore An Intergovernmental Funding Strategy & Shared Governance Models*

Staff connect with provincial and federal staff in a number of ways, including regular forums and meetings, and ad-hoc issue-specific communications. Staff recently met with Canadian Heritage (federal) and the Provincial Ministry of Tourism, Arts, Culture and Sports to share the priority challenges and solutions identified by the Working Group and to discuss opportunities to enhance inter-government collaboration.

Key discussion areas:

- Stabilize and consider increasing grant funding for arts and culture, particularly festivals
- Explore interest in a collaborative intergovernmental art and culture funding strategy, shared or aligned governance model, and public reporting on sector impact
- Better align arts and culture grant eligibility, process and deadlines to benefit grantees
- Increase investment in cultural spaces and explore ways to facilitate capital stacking
- Expand tax allocations to include the arts and culture sector, and explore other potential revenue sources for arts and culture (tourism levies, venue surcharges, etc.)
- Explore tax rebates for cultural spaces and/or for landlords offering below market rent to cultural groups

Discussion Highlights:

- Implementing a collaborative arts and culture funding strategy or governance model with a single municipality is not feasible at this time as initiatives are generally delivered province and/or country-wide.
- Staff at all levels of government are committed to continuing to collaborate on improving the alignment of grant programs, deadlines, and reporting requirements where feasible. Other levels of government are currently focused on internal program alignment and efficiencies across various teams and departments.
- Inter-government opportunities will continue to be explored to improve collaboration on public reporting and data collection through existing tools and networks (e.g. [CADAC](#), the [Mass Culture](#) National Research Group, and the [cultural satellite account](#)).

- City staff will continue to seek opportunities internally to improve how data is collected, managed, shared and reported, and will continue to identify and implement improvement opportunities, including in response to the recent Office of the Auditor General [Audit of Community Grants](#) and the Council referred motion [Building the Evidence Base for Sustained Investment in Vancouver's Arts and Culture Sector](#).
- The Province shared that there has been some recent national advocacy from different industry/sector associations, recommending the implementation of a federal live performing arts tax credit and developing a [Project Brief](#) (March 2025).
- The federal government increased funding for arts and culture in [Budget 2025](#), increasing support for local festivals through the Building Communities through Arts Heritage Program, for arts presenters through the Canada Arts Presentation Fund, and for professional artists and arts organizations through the Canada Council for the Arts.
- Over the next three years, the funding envelope of the [Canada Cultural Spaces Fund](#) (CCSF) will be reduced due to the creation of the new [Build Communities Strong Fund](#) administered by Housing, Infrastructure and Communities Canada (HICC). This Fund will support cultural initiatives.

Staff will continue to connect with federal and provincial staff to explore opportunities to further collaborate on supports to the arts and culture community, including grant program alignment, data collection and impact reporting.