

Minutes – Meeting #5

Wednesday, November 11, 2015

Burgoyne Woods Room, City Hall at 4:30 p.m.

Members in Attendance: John Crawley, Councillor Carlos Garcia, Councillor David Haywood, Councillor Bill Phillips, Jennifer Wallace

Regrets: Jeff Burch, Vickie Fagan, Peter Wing

Staff Liaison:

Rebecca Cann, Ashley Judd-Rifkin

1. Call meeting to order (B. Phillips)

4:34 p.m.

2. Additions / Deletions to the Agenda

None

3. Motion to Approve the Agenda for November 11, 2015

Moved by: J. Crawley Carried

4. Motion to Approve the Minutes of November 5, 2015

Moved by: J. Wallace Carried

5. Business Arising from the Minutes

None.

6. Business

6.1. Brief Re-Cap of Cultural Funding

6.1.1. Economic Impact of SCCIP – from Sustaining Clients

In 2012, SCCIP sustaining clients generated:

- 95% of all reported revenues
- 97% of F/T jobs
- 87% of P/T jobs
- 90% of artist contracts

Economic impact amongst SCCIP clients was derived almost exclusively by Sustaining Program clients.

6.1.2. Municipal Comparison

Staff again presented data comparing St. Catharines to other Ontario municipalities, with updated information. St. Catharines' per capita amount is revised from last week to include funding provided for the Niagara Wine Festival Grande Parade. St. Catharines investment is higher than Barrie's and Windsor's, however, it was noted that Barrie's amount does not include in-kind support of Barrie's many festivals, and the Windsor amount does not include extensive in-kind support to four major arts organizations, which reside rent-free in city-owned buildings, with the City paying all maintenance and utility costs.

Staff also presented slides that compared Waterloo Region cultural funding to Niagara Region cultural funding, with Niagara Falls now included. Major festivals are included in the Niagara numbers but not in the Waterloo numbers. Even with this discrepancy, Kitchener-Waterloo's three municipalities (Kitchener and the City and region of Waterloo) invest \$4.58 per capita, while Niagara's 3 municipalities (St. Catharines, Niagara Falls and Niagara Region) invest \$2.79 per capita.

It was noted by staff and committee members that it is very hard to make direct comparisons and that, to fully understand how each municipality invests in arts and culture, much more research would need to be compiled. The group agreed that major festivals should be removed from the numbers to provide a clearer picture of sectoral investment in the comparative.

A short discussion took place around making the case for investing in the arts, as well as the process of the CFTF. There was an examination of what the CFTF has looked at, how the info is being compiled, where to go next and how to present everything to Council.

6.1.3. Potential Sources of Revenue

Currently, SCCIP funds are generated from the Civic Project fund (\$150,000) and Festival and Events funding is part of the Parks, Recreation and Culture Services budget (\$168,500 total). An increase to cultural funding could come from one or more of a variety of different sources. Options for generating revenues for cultural investment could include:

- Tax base request
- Civic project fund
- Ticket charge on FOPAC admissions
- percentage of increased downtown parking revenues
- GSNAP – Greater St. Catharines Niagara Accommodations Partners
- Billboard tax
- Request to Niagara Region to collaborate in funding core organizations
- Community fundraising
- Re-distribution of funds

The Committee discussed these various options and the two favourites were a ticket charge on FOPAC admissions and a percentage of increased downtown parking revenues. It was noted that both of these options act somewhat like a user fee for people attending the events.

In regards to the option of collaborating with the Niagara Region in funding core organizations, there was general consensus that the Region should be a significant contributor and that Niagara Region councilors representing St. Catharines should be approached to champion increased Regional investment for arts and culture.

J. Wallace presented the idea of an “opt-in” tax for any residents who want to contribute extra to help fund arts and culture programs. The amount would be in addition to regular municipal taxes and would be a voluntary amount – perhaps a percentage – that a household could contribute specifically to SCCIP. This idea was of interest among Committee members and it was decided that further investigation should take place.

6.2. What’s the Need? – Case Studies

How can the Cultural Funding Task Force measure need in the arts, culture and heritage communities in St. Catharines?

- Compare to other cities – what do they invest? How?
- Compare each organization to comparable orgs elsewhere in Canada
- Look at organizational health, including:
 - Deficits, surpluses and reserves; cash flow issues
 - Revenue generation – would it be improved with additional staff?
 - Staffing gaps – how many hats does each staff member wear, how often do they work more than a 40-hour work week, are they paid a salary that is comparable to their industry peers?
 - R&D – do they have the resources to invest in new developments?
 - Marketing budget – what’s the investment in outreach and promotion?

Staff noted that a full evaluation of “need” is complex, and requires a case-by-case analysis.

6.2.1. Sustaining organizations – cross-municipal comparisons by arts discipline

Charts were presented (and handed out to Committee members) that compared three Niagara-based organizations with their counterparts in other municipalities. The charts are from the Region of Waterloo’s report on core organizations and municipal investment, with some additions from St. Catharines’ staff where feasible to include our Council’s comparable cities.

Key observations from these case studies included:

- Chorus Niagara has a relatively low municipal investment but is a leader in private sector revenue compared to 3 other choral groups.

- The Niagara Symphony's budget level is dramatically lower than any other orchestra it's compared to, and its municipal investment is also dramatically lower than others. As a percentage of budget it is second lowest, but only because the Nova Scotia orchestra's budget is over \$4M.
- Rodman Hall Art Gallery is the only one on the list with zero municipal investment, the highest of which is a 32% contribution to the Kitchener-Waterloo Art Gallery budget.

6.3. Draft Funding Levels and Program Concepts – For Discussion

Staff presented the current levels of St. Catharines' investment in the cultural sector based on types of organizations, including core, mid-sized, emerging and project. A list of 6 up-and-coming festivals and arts clients who are not funded was shared, and it was noted that there is almost no funding for an emerging art scene, nor any investment in heritage.

A draft concept of what dollars are needed in order to strengthen existing organizations and fund a broader range of activity was provided. The per capita investment identified was \$5.57. In order to reach that target, the City will need to:

- Grow revenue streams;
- Develop partnerships; and,
- Consider addressing short-term needs of the sector.

Preliminary recommendations include:

- Consider establishing a facility access program as temporary funding to support community use of the FOPAC. This program will be an out/in budget proposition: the grant to the organization goes directly into the FOPAC's revenue stream. This means no cost to the taxpayer. It builds capacity amongst user groups and gives them time to maximize their revenue generation. It also builds arts company user-group clientele in FOPAC's first five years.
- Increase permanent funds over the next four years. The idea is to increase funding to strengthen core organizations, grow small/medium organizations and invest in emerging organizations as well as individual artists.

Discussion took place around suggestions for revenue increases, with the most popular being a percentage of the increased parking revenue, a surcharge on FOPAC tickets and a municipal tax opt-in. Concerns were raised around the potential difficulty of administering the tax opt-in, but there was a suggestion that software in the financial department would probably be able to care of it and that the CFTF should talk to FMS about the whole idea (of the tax opt-in). It was also suggested that the City set up a reserve fund for these revenues so they are preserved for arts investment.

Coun. C. Garcia noted that any option that doesn't involve an increased burden on tax payers will have a better chance of being passed by Council.

Coun. D. Haywood noted that it is important not to take from one section of the budget to give to another and that the options presented by staff are very reasonable.

6.4. Motion presented by Coun. C. Garcia

Coun. C. Garcia noted that staff has done a great job informing the CFTF about arts and culture funding, but that he thinks the CFTF has come to a point of diminishing returns.

MOTION: Since this Committee has received and discussed extensive information on the history and potential needs of Arts/Culture Heritage funding, and further input will be received from two planned public consultation sessions (Meetings # 6 and 7),

Be it resolved that: Staff is directed to prepare a detailed recommendation on what changes may be required for review by the Committee at Meeting # 8.

R. Cann noted that the next powerpoint presentation will be the draft proposal to Council. Coun. C. Garcia suggested that the CFTF needs to form recommendations before talking to finance staff.

7. Date of next two meetings –

7.1. Tuesday, November 17, 2015,

Burgoyne Woods Room, 3rd floor, City Hall
5:00 – 7:00 p.m. (Community Consultation)

7.2. Wednesday, November 18, 2015

Burgoyne Woods Room, 3rd floor, City Hall
4:30 – 6:30 p.m. (Community Consultation)

8. Motion to Adjourn

Meeting ended due to lack of quorum.

Materials distributed prior to or at the meeting:

1. Comparison: Municipal Cultural Funding Tables

- a. Funding Amounts: Single Tier Municipalities
- b. Waterloo Region Cultural Funding
- c. Niagara Region Cultural Funding
- d. Niagara Region/Waterloo Region Comparison
- e. Comparator Municipalities Funding Table

2. Comparison: Arts Funding Case Studies

- a. Choral Groups
- b. Symphonies
- c. Art Galleries