
TO: **GENERAL COMMITTEE**

SUBJECT: **CITY OF BARRIE CULTURAL GRANTS PROGRAM – 2020 PROGRAM REVIEW AND COVID-19 IMPACT MEASURES**

PREPARED BY AND KEY CONTACT: **A. DYKE, B.SC. CULTURE OFFICER - DEVELOPMENT**

SUBMITTED BY: **S. SCHLICHTER, DIRECTOR OF ECONOMIC AND CREATIVE DEVELOPMENT**

GENERAL MANAGER APPROVAL: **A. MILLER, GENERAL MANAGER, INFRASTRUCTURE AND GROWTH MANAGEMENT**

CHIEF ADMINISTRATIVE OFFICER APPROVAL: **M. PROWSE, CHIEF ADMINISTRATIVE OFFICER**

RECOMMENDED MOTION

1. That the 2020 Cultural Grant Program identified within Staff Report ECD006-20 be received as information.
2. That due to the COVID-19 pandemic, the following be undertaken with recipients of the 2020 Cultural Grants Program:
 - a) All 2020 Cultural Grants Program recipients retain their funding as awarded on February 14, 2020;
 - b) The recipient organizations of the 2020 Cultural Grant Program who are unable to deliver on their proposed programming due to the COVID-19 pandemic, be permitted to reallocate funding in support of sustaining their operations and recovery activities from COVID-19; and
 - c) As part of the 2020 Cultural Grant Program recipients' annual report back on the use of their grant funding, recipients be requested to provide additional reporting on how they utilized their funds to address the COVID-19 impacts.
3. That staff in Economic and Creative Development Department include information on impacts and utilization of the 2020 Cultural Grant Program funds by recipients as part of their annual report back on the Program.

PURPOSE & BACKGROUND

4. The purpose of this Report is to provide members of Council with an update concerning the City of Barrie's Cultural Grants Program, including the results of the 2020 funding cycle and to propose measures to address the impact of COVID-19 on Cultural Grant Recipients in 2020.

Background

5. In April 2006, Council motion 06-G-188, adopted the City of Barrie's plan for culture, 'Building a Creative Future', which articulated as a significant strategy, the support of excellence in Barrie's culture sector.

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6. As part of the City's investment into the local culture sector and to create a more equitable and process-driven approach to providing culture sector grants, the City implemented a formal Cultural Grants Program.
 7. The current program allows for organizations to apply for ongoing operational support for various amounts depending on their jury-assessed application. Organizations asking for less than \$50,000 in operating funds may also apply for project grants for up to \$5,000.
 8. The Cultural Grants Program was established with the following objectives:
 - a) To encourage creation and displays of arts and cultural expressions to enhance the quality of life for Barrie and area residents and tourists;
 - b) To increase the opportunity for funding to City of Barrie arts organizations and artists from other (non-municipal sources) such as corporate sponsors and federal and provincial government;
 - c) To raise artists' and arts organizations' awareness of the need for strategic planning, business planning, sustainability planning, sector analysis, understanding competition and more;
 - d) To encourage market and product development;
 - e) Identification and support of sector champions; and
 - f) Maximization of the City of Barrie's return on investment in the culture sector.
 9. In 2013, Council motion 13-G-123 removed the individual artist grants fund and all funding was delegated solely to the Cultural Grants Program to support cultural organizations.

Granting Process

10. The Guidelines and Application Form are released annually in September for the upcoming year. Staff is available to answer all questions regarding the application and the process of applying.
11. Jury members are selected based on their arts expertise, education, and experience in the arts. Efforts are made to ensure diversity with regards to arts disciplines and residential geography of the jurors, with all but one of the jurors being located outside of Barrie to ensure impartiality. Jury members are provided at minimum, one full month to complete their independent review and evaluation. They are then sequestered in Barrie for two days to discuss the applications and review each applicant's sustainability, business strategies, artistic merit, community impact, audience development efforts and determine level of funding investment, should an applicant be successful.
12. The role of the Culture Officer is to provide administrative support and document the feedback to be given to each applicant. Staff are restricted from participation in the decision-making process.
13. Successful recipients must agree and accept the City's conditions for funding that include commitments to spend the funding for the purposes for which it was awarded, standards for acknowledging the City as a funder, and restrictions on the kinds of expenditures the funding is to be utilized for.
14. All applicants are provided constructive feedback from the jury to improve future applications. Staff will also meet with applicants to review their results, on a requested basis.

City Investment and Recipients

15. Since the inception of the program there have been many successes. Organizations have experienced a significant increase in all levels of funding, including other levels of government, private and corporate sponsorships and revenues generated from ticket sales.
16. For 2020, the approved Cultural Grants budget was \$339,750 and 20 applications were received, requesting a total of \$503,150 in funding. Seventeen applications were successful.

2020 Operating Grant Recipients

Organization	Amount Awarded
Barrie Concert Band	\$ 4,000
Barrie Film Festival	\$ 36,000
Huronian Symphony Orchestra	\$ 20,000
Kempenfelt Community Players	\$ 5,000
MacLaren Art Centre	\$ 138,000
Ontario Musicians Cooperative, Inc.	\$ 8,500
Simcoe Contemporary Dancers	\$ 18,500
Talk Is Free Theatre	\$ 63,000
Theatre By The Bay	\$ 24,000
Total	\$ 317,000

2020 Project Grant Recipients

Organization	Amount Awarded
Bravado! Show Choir	\$ 4,000
Caswell Community Choirs	\$ 1,500
King Edward Choir	\$ 4,000
La Cle de la Baie	\$ 2,500
The Northern Appeal Press	\$ 2,000
Print Research Network Teach (PRNT)	\$ 1,750
Skyliners Youth Big Band	\$ 2,000
Theatre By The Bay	\$ 5,000
Total	\$22,750

Impacts of COVID-19

17. With the COVID-19 global pandemic disrupting the ability for people to gather for the foreseeable future, all of the organizations funded through the Cultural Grants program will face significant changes to their programming in 2020 that will have catastrophic effects on their operations and cash flow.
18. Economic and Creative Development staff conducted a survey of the arts community to best understand the impact of COVID-19 on the cultural sector. Key findings thus far include:
 - a) 73% of arts organizations or businesses surveyed have temporarily closed, and an additional 5% will have to close;
 - b) 44% of arts organizations have laid off staff;
 - c) Many businesses and organizations noted that they are unable to pay non-artistic employees or contractors;
 - d) Those surveyed thus far estimate a loss of over \$1.6 million between the middle of March and July; and
 - e) Support indicated as most needed by the arts community includes: the generation of a plan to encourage audiences to go out and experience artists' work (when out of isolation), regular updates from the City on what is being done to support artists/organizations and opportunities or platforms for coordinating, promoting and presenting work online during the isolation period.

ANALYSIS

Return on Investment for Arts and Culture Grants

19. In 2019, the City of Barrie dispersed \$335,000 in funding via the Cultural Grants Program. The investment by the City enabled recipient groups to leverage significant additional funding from provincial and federal programs, as well as private and corporate sector sponsorships. Since the inception of City-presented workshops and granting programs, staff have seen compelling growth in return on investment for the City of Barrie, particularly in the area of revenue from other government sources as well as earned revenue. In 2019, the following outcomes were realized from the funding that was dispersed via the Grants Program:

2019 City of Barrie Investment	\$ 335,000
Other Public Sector Funding in 2019	\$ 1,234,499
Earned Revenue in 2019	\$ 4,056,414
Sponsorship Revenue in 2019	\$ 156,360

20. The total leveraged funding represents a 1626% return on investment for the City of Barrie's cultural grant funding, resulting in local job creation in the cultural sector, and directly supporting growth. The funds raised by the organizations are primarily spent locally, generating further spin-off value for local businesses and creating local employment opportunities.

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21. While the impacts of COVID-19 are likely to have a significant impact on the return of investment on the 2020 Cultural Grants program, especially in the areas of earned revenue and sponsorship revenue, ensuring that organizations able to maintain business continuity beyond COVID-19 is critical to being able to return

Maintaining 2020 Cultural Grant Commitment

22. Funding bodies from other levels of government that support arts and cultural tourism have responded to the global pandemic by announcing that operating grant monies already distributed to arts organizations may be spent on operational and contractual expenses that are incurred regardless of the cancellation of programming. Organizations are to report to the funding bodies on changes to their plans for the year. Project grant spending is being reviewed by program managers on a case-by-case basis. For a breakdown of their responses, see Appendix "A".
23. Allowing Cultural Grant Program recipients the ability to retain their funds for 2020 is consistent with the treatment of cultural grant funding provided at higher levels of government and will give funded arts organizations in Barrie the best possible chance of survival during the pandemic.
24. Some artists and organizations have incurred costs associated with programming that will not go-ahead as scheduled. These include contracts that do not have pandemic clauses. Some organizations have begun moving programming online to recoup some costs, and in some cases, simply to maintain a presence during the pandemic. Caswell Community Choirs hosts a weekly sing-a-long on Facebook, the Ontario Musicians Cooperative will move more of their training, workshops, and performances to live video for this year's operations and Talk is Free Theatre are offering in-depth mentorship opportunities for young actors and those interested in theatre arts. Economic and Creative Development staff are actively exploring opportunities to support initiatives such as these to benefit the community.
25. Maintaining funding for the 2020 Cultural Grants recipients will provide fiscal stability to arts organizations so they may focus their efforts on their business model for program development and recovery efforts. It also demonstrates the City's support and commitment to the cultural sector during the pandemic.
26. Per the recommended motion, staff are recommending that operating grants provided to Cultural Grant Program recipients remain in effect for 2020. Operating grants may be spent on any operations required by the organization other than ineligible activities, though are often tied to major productions or exhibitions. Currently, organizations cannot spend funding on the following ineligible activities:
- Fundraising activities;
 - Equipment;
 - Renovations;
 - Purchasing new buildings; and
 - Paying off deficits.
27. Under the recommendation, Cultural Grant Program recipients for projects would also remain in effect for 2020. Project grants are tied to specific new initiatives, events or programs with applications and outcomes clearly defined by the applicant. Project grant recipients would need to identify how they are adapting or modifying their projects to reflect impacts of COVID-19.

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28. As part of their annual report back on the use of their grant funding, 2020 Cultural Grant Program recipients will be required to provide additional reporting on how they utilized their funds to address COVID-19 impacts. The Director of Economic and Creative Development and Culture Development Officer will review each report to ensure funds are not spent on ineligible activities.

Future Considerations

29. As part of Invest Barrie work regarding economic recovery post COVID-19, staff will be taking a broader view at key sectors, including the cultural sector, to identify potential opportunities where the City can help stimulate recovery. Results from the survey administered by Invest Barrie, consultation from stakeholders and programs introduced by other levels of government will contribute to this assessment.
30. Based on the Culture Master Plan's recommendation for a program review, staff submitted an intake form which was approved as part of the 2020 budget and business planning process. Funds will be used to retain an independent, third party organization to conduct the review and community engagement. Recommendations from this process will be brought forward to Council for review and approval.

ALTERNATIVES

31. There are two alternatives available for consideration by General Committee.

Alternative #1

General Committee could decide to request that cultural grant recipients who are unable to meet the commitments proposed in their grant applications return the funding to the City of Barrie before applying for 2021 funding.

This is not recommended by staff as the extraordinary and unforeseen circumstances around the COVID-19 outbreak are negatively impacting the ability to deliver on program. To remove their funding creates significant instability, and in some cases, risks the ability of the organizations to continue in their entirety. Opportunity also exists for organizations to re-purpose the funds to deliver alternate forms of programming and program delivery as part of the recovery process. The creative sector is a key sector for the economy and cultural organizations are key driver of that sector. Ensuring they have stability to during this pandemic, keeps them positioned to drive economic activity post COVID-19.

Alternative #2

General Committee could decide to request recipients complete alternate spending proposals for re-evaluation.

The time associated with re-creating a grant submission program provide a great deal of uncertainty for organizations to be able to business plan and will add to the negative impacts they are already incurring. Staff time and cost would also be significant to re-create and deliver a grant submission program.

FINANCIAL

32. The funding for the 2020 Cultural Grants Program was approved as part of the City's 2020 business plan and budget. The funds were allocated and disbursed within the allocated budget amounts and there are no new financial implications to the tax base associated with this recommendation.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

33. There are no environmental and/or climate change impact matters with this recommendation.

LINKAGE TO 2018-2022 COUNCIL STRATEGIC PLAN

34. The recommendation(s) included in this Staff Report support the following goals identified in the 2018 - 2022 Strategic Plan:
- √ Growing Our Economy
35. A supportive cultural grants program has the potential to build the economy through cultural tourism, employment and talent attraction by positioning Barrie as a place artists and those who appreciate the arts can create, experience and grow together.

APPENDIX "A"

Funding Bodies' Responses to COVID-19

Funding Body	Operating Funding	Project Funding	Notes
Canadian Heritage	N/A	Funding can be used by organizations as needed	
Canada Council for the Arts	Funding can be used as needed	Can use funding to cover expenses that are incurred despite cancellation of the project. Unspent funds must be returned	Report on how COVID-19 impacted their programming and activities and how they managed
Ontario Arts Council	Funding can be used as needed	Funding can be used on a case by case basis	Report on how COVID-19 impacted their programming and activities and how they managed