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REPORT TO THE GOVERNANCE AND FINANCE COMMITTEE MEETING OF WEDNESDAY, OCTOBER 07, 2020

SUBJECT 2019-2022 Arts & Culture Service Planning

ISSUE SUMMARY

To provide the Governance and Finance Committee with an overview of relevant initiatives undertaken by Arts & Culture to deliver on approved Board Priorities and the Corporate Plan. Services and initiatives will be delivered in 2021 using core funding only.

BACKGROUND

The CRD Board completed its strategic planning early in 2019 and approved the CRD Board Strategic Priorities 2019-2022.

The four priorities are:

1. Community Wellbeing – Transportation & Housing;
2. Climate Action & Environmental Stewardship;
3. First Nations Reconciliation; and
4. Advocacy, Governance & Accountability.

The priorities were confirmed at the annual check-in on May 13, 2020.

The 2019-2022 CRD Corporate Plan is aligned to the Board direction. It highlights the initiatives the CRD needs to deliver over the Board's four-year term to address the region's most important needs. The Corporate Plan identified one initiative under Arts & Culture that falls under the Governance and Finance Committee's mandate.

Through the Royal & McPherson Theatres Society Advisory Committee (RMTSAC) the Governance & Finance Committee also has oversight of the services that provide funding to the Royal Theatre and the McPherson Playhouse.

Appendix A *Community Need Summary - Arts & Culture 2021* is a summary of the planned activities for 2021. It contains details about core service levels, new initiatives proposed and performance metrics.

Appendix B *Arts & Culture - Initiatives Progress Report* provides insights into what has been delivered through the following initiative that was approved last year, for delivery in 2020:

- 12a-1 Art Facility Needs and Partnerships

The Service Planning process gathered information necessary to assemble a provisional budget for Committee and Board review. The purpose of this report is to explain how the Arts & Culture divisional program of work connects to the Board Priorities, Corporate Plan and provisional budget.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board: That Appendix A Community Need Summary - Arts & Culture be approved as presented and advanced to the October 28, 2020 provisional budget review process.

Alternative 2

The Governance and Finance Committee recommends to the Capital Regional District Board: That Appendix A Community Need Summary - Arts & Culture be approved as amended and advanced to the October 28, 2020 provisional budget review process.

IMPLICATIONS

Financial Implications

Initiatives identified in the Corporate Plan (including Board Priorities) cannot be undertaken without resourcing. The Board determines resourcing through its annual review and approval of financial plans. To support the Board's decision-making, staff, through the service planning process, provide recommendations on funding, timing and service levels.

Service Delivery Implications

The Community Need Summary provides an overview of all work that needs to be undertaken in order to meet our regulatory requirements, satisfy Board direction and meet the needs of the communities we serve.

Staff are advancing a directive from the RMTSAC to examine the contribution agreements for the Royal Theatre and McPherson Playhouse to ensure that the venues are resourced at an appropriate level.

Alignment with Board & Corporate Priorities

Staff have not identified any new initiatives for 2021.

Initiative 12a-1 is expected to be complete in 2020.

CONCLUSION

Staff have been progressing initiatives and actions identified in the Corporate Plan, including Board Priorities. The Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board:
That Appendix A Community Need Summary - Arts & Culture be approved as presented and advanced to the October 28, 2020 provisional budget review process.

Submitted by:	James Lam, Manager, Arts & Culture Support Service
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Community Need Summary - Arts & Culture
Appendix B: Arts & Culture - Initiatives Progress Report

Arts and Culture

Strategy

Target Outcome

We envision strategic investment to maximize the artistic, social and economic contributions that arts and culture make to the quality of life in the region.

Strategic Context

Strategies

- [Arts Development Service Strategic Plan](#)

Trends, risks and issues

- Municipal investment in the arts recognises the contribution that arts organizations make to the quality of life and the economic benefits that accrue to the region through the activities of funded organizations.
- Sustaining and increasing investment in the arts is strongly tied to local and global economic trends that affect municipalities' ability and desire to provide support. In 2019, the CRD Arts and Culture funding programs funded 94 organizations that provided programming that supported a wide range of artistic activity by local and regional artists. We expect to fund 92 organization in 2020.
- Restrictions on public gatherings due to COVID19 has created significant instability in the arts sector and adaptation to programming and operational support to funded organizations.

Services

Core Services Levels	
Service	Levels
<p>Arts & Culture Support Service Supports, promotes and celebrates arts and cultural activities for the benefit of the community through funding programs and outreach activities.</p>	<ul style="list-style-type: none"> • Provide support to organizations on not-for-profit structure, governance, and capacity development in general and as it relates to Arts Service programs. • Provide support to Arts Commission by maintaining accountable processes for allocation of program budgets. • Respond to inquiries on funding (CRD and other sources). • Liaise with arts funders at other levels of government. • Collect data for internal use and by outside agencies • Manage web-database of regional public art for the region.
<p>The McPherson Playhouse Service Contribution agreement for the municipal support of the theatre.</p>	<ul style="list-style-type: none"> • Provides capital and operational support for pleasure, recreation and community uses related to the McPherson Playhouse Theatre
<p>The Royal Theatre Service Contribution agreement for the municipal support of the theatre.</p>	<ul style="list-style-type: none"> • Provides capital and operating support for pleasure, recreation and community uses related to the Royal Theatre.
<p>Support Services The core services listed rely on the support of several corporate and support divisions to effectively operate on a daily basis. These services are reported on in the Accountability Community Need Summary.</p>	<ul style="list-style-type: none"> • Services include Human Resources & Corporate Safety, Corporate Communications, Asset Management, Financial Services, Information Technology & GIS, Information Services, Legislative Services, Facility Management, Fleet Management, Legal Services, Risk & Insurance and Real Estate Services.

2021 Summary

Initiatives					
Ref	Initiative	Description	Year(s)	Status	2021 impacts
12a-1	Art Facility Needs and Partnerships	Facilitate a discussion of the region's art facility needs & explore partnerships to support 100% participation in the CRD arts function	2020-21	Estimated completion Dec. 2020	Already funded

*New – Initiatives not in the 2019-2022 Corporate Plan

Initiatives approved in prior years which are now part of Core Services:

- 12b-1 – Community Engagement in Arts
- 12b-2 – Arts and Culture Strategic Plan
- 12c-1 – Arts Grant Program Review

Business Model

Funding
<p>Who contributes</p> <ul style="list-style-type: none"> • Arts & Culture Support Service: Saanich, Victoria, Oak Bay, Esquimalt, View Royal, Metchosin Highlands, Sooke, Southern Gulf Islands • The McPherson Playhouse Service: Victoria • The Royal Theatre Service: Saanich, Victoria, Oak Bay • Support Services: varies per service <p>Funding Sources</p> <ul style="list-style-type: none"> • Requisitions

Reporting Structure
<ul style="list-style-type: none"> • Arts & Culture Support Service: Arts Commission • Theatres: Royal and McPherson Theatres Services Advisory Committee

Community Need Key Performance Indicator (KPI)			
Definition and Source	2019 Actual	2020 Forecast	2021 Target
Metric 1: Social contributions			
(A) total number of events and workshops hosted by CRD	(A) 3,357	(A) see note	(A) see note
(B) total attendees at CRD-funded arts events	(B) 644K+	(B) see note	(B) see note
(C) total number of IDEA and Equity Grants distributed	(C) 18	(C) 20	(C) 20
Data from 2019 Arts & Culture Progress Report			
Metric 2: Economic contributions			
(D) total funding (\$M) invested (via CRD grants) in operating grant recipients	(D) \$2.4M	(D) \$2.4M	(D)\$2.4M
(E) total revenue (\$M) generated	(E) \$27.5M	(E) see note	(E) see note
Data from 2019 Arts & Culture Progress Report			
Discussion			
Link to Target Outcome			
Funding programs and other activities of the Arts & Culture Service recognise the contribution that arts organizations make to the economy and quality of life, the provincial and national visibility they bring to the region and their role in providing a wide range of activities for citizens and visitors.			
Discussion			
<u>NOTE:</u> all 2020 and 2021 metrics are expected to be adversely impacted by Covid19			
<ul style="list-style-type: none"> Metric 1: (A) 3,357 of events and workshops provided events and activities accessible to citizens and visitors and provided opportunities for 5,395 volunteers advancing social cohesion; (B & C) Events and attendance are normally measured in in-person attendance. With restrictions on public gatherings resulting in the closing of venues, the reporting and the structure for measuring online video, audio, pop-up, and other alternative programming replacements is in development. IDEA Grants is a flexible, small-awards program designed to respond to one-time opportunities and to encourage innovative or developmental arts projects and events. Equity grants support arts initiatives by applicants from the communities that are at risk of exclusion or have difficulty accessing support for systemic reasons. Metric 2: Operating grant recipients generated \$27.5M in additional revenues of which 8% (\$2.4 million) was provided by the CRD. For every \$1 invested organizations generated an additional \$11.55 (data from the 2019 Arts & Culture Progress Report). (E) It is expected that self-generated revenues by funded organization will be significantly reduced due to COVID19. However, at this point in the financial years there is insufficient information to provide estimates for the purposes of this report. 			

Arts & Culture

Initiatives approved in 2020 Budget		
Ref	Initiative	Progress to date
12a-1	Art Facility Needs and Partnerships	Consultant-led community engagement process commenced July 2020. Final report due December 2020.

* New - Initiatives not in the 2019-2022 Corporate Plan