



City of  
**Peterborough**

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**To:** **Members of the Finance Committee**

**From:** **Sheldon Laidman, Commissioner of Community Services**

**Meeting Date:** **November 23, 2020**

**Subject:** **Report CSD20-006**  
**Electric City Culture Council and Municipal Cultural Plan**

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## **Purpose**

The purpose of this report is to provide the results of the Electric City Culture Council review and to recommend the updating of the Municipal Cultural Plan.

## **Recommendations**

That Council approve the recommendations outlined in Report CSD20-006 dated November 23, 2020, of the Commissioner of Community Services, as follows:

- a) That a four year municipal funding strategy for Electric City Culture Council be approved. The municipal contribution of \$25,000 for Artsweek shall be maintained for all four years of the agreement. The general operating grant shall include contributions of \$80,000 for 2021, \$73,000 for 2022, \$66,000 for 2023, and \$60,000 for 2024;
- b) That a formal Service Agreement be developed between the City of Peterborough and the Board of Directors of Electric City Culture Council to include deliverables, financial reporting process, and program measurements;
- c) That the Service Agreement shall include provisions that Electric City Culture Council (EC3) focus on arts and culture and that heritage be directed to the City Heritage Preservation Office and PACAC;
- d) That the Mayor and Clerk be authorized to sign such agreement and other documents in terms acceptable to the Commissioner of Community Services;

- e) That the Arts, Culture and Heritage (ACH) Division undertake an update to the Municipal Cultural Plan; and
- f) That staff be directed to undertake a review of Bylaw 12-152 being a Bylaw to Reconstitute the Arts, Culture, and Heritage Advisory Committee and report back to Council.

## **Budget and Financial Implications**

The 2021 draft budget has \$80,000 allocated to this organization through the Municipal Cultural plan capital budget and \$25,000 through the Arts, Culture and Heritage operating budget. The \$80,000 is intended to implement the City's Municipal Cultural Plan and for general operating while the \$25,000 in the operating budget is for EC3 to operate ArtsWeek on behalf of the City.

## **Background**

The City of Peterborough Municipal Cultural Plan (MCP) was approved by Council in 2012. One of the recommendations in the plan was the creation of a Culture Council which was formed in 2012. As the City reaches the end of the mandate for the existing MCP, staff retained a consultant to review other municipalities and recommend next steps for the MCP and to determine an appropriate funding level for the Electric City Culture Council (EC3). The requirement for staff to review EC3 stems from the following Council Motion adopted as part of the 2020 budget review:

"That to supplement the \$50,000 Budget provision for the Electric City Culture Council (EC3) included in the Municipal Cultural Plan Capital Project 6-7.01 found on page 143 of the 2020 Budget Highlights Book, EC3 be provided an additional \$35,000 during the 2020 calendar year on a one-time basis only, and be funded from residual Municipal Cultural Plan Project Capital Budgets approved in 2019 and prior years, and;

That staff be directed to undertake a comprehensive review of other Arts Council funding levels in other Ontario cities, remaining outstanding objectives from the Municipal Culture Plan, and outcomes from previous funding provided to EC3 and to report back to Council by September, 2020 with a recommendation on the level of funding to be provided to EC3 going forward along with expected performance measures for EC3."

The report covers both the recommended development of a new Municipal Cultural Plan and a review of EC3 as one of the purposes of the funding the City provides to EC3 is meant to assist the City in delivering on the recommendations of the Municipal Cultural Plan. Funding provided to EC3 has been contained in the City's capital budget to recognize this linkage to the implementation of the recommendations in the MCP.

## **Municipal Cultural Plan**

Ginder Consulting was retained to review the provincially maintained list of 72 municipalities with a provincially approved MCP, approaches to a new MCP and whether a new MCP is justified. From this list, City staff and the consultant selected three municipalities to interview further: Waterloo, Sudbury, and Kingston. It is difficult to find exact comparators to Peterborough's demographics, population, size of arts community, and type of MCP. Waterloo has a similar population and a 10-year plan, and previous discussions between staff at the respective municipalities suggested they would be a good resource. Sudbury and Kingston were selected based on population, the fact that their plan expires in 2020, and because they participated in the comparative report of arts councils. The consultant's report affirms the MCP is an important instrument in situating culture centrally within the Corporation and providing a roadmap and timeline for cultural development leading staff to recommend undertaking another plan for 5 years. The recommendations in the existing MCP are estimated to be close to 80% complete.

The current MCP's recommendations and strategic directions are nearing completion with some notable accomplishments such as the creation of an Arts Council, creation of Arts Awards, completion of the Peterborough Public Library, hiring of additional staff in ACH division in particular a permanent part time Public Art Coordinator, and the ongoing administration of the Community grants programs. A series of reports to ACHAC document the status of the seven Strategic Directions of the MCP. The Plan's Strategic Directions are as follows:

1. Celebrate and Strengthen Our Region's Waterways, Cultural and Natural Heritage
2. Strengthen the Arts
3. Strengthen Heritage
4. Strengthen Downtown as a Cultural Hub
5. Incorporate Culture in all Neighbourhoods
6. Encourage Inclusivity and Facilitate Diversity; and
7. Build the Capacity of the Arts, Culture, and Heritage Division

The Arts, Culture and Heritage sector has been particularly hard hit with COVID-19 and establishing a new MCP will highlight strategies to aid in COVID-19 recovery and resiliency as this sector will be the last to reopen. The MCP provides a structure for the City and community that demonstrates the continued importance of this sector in Peterborough. Developing an updated MCP will ensure that the role of EC3 to implement aspects of the MCP remains relevant and that expected outcomes of a MCP can be included in a service agreement with EC3 going forward.

Staff would intend to develop a work plan for an updated MCP in early 2021. It would be expected that this would largely be a staff driven process without the need for significant outside consulting assistance.

## Review of Electric City Arts Council Funding

Council directed that a comparison of Arts Council funding in other municipalities be undertaken. For the comparative report on Arts Councils, research commenced with the development of a list of Canadian municipalities with a population similar in size or larger than that of Peterborough. Online research was then undertaken to determine which of these municipalities has an arts or culture council. City staff reviewed the list and subsequently municipalities outside Ontario were eliminated. The Ontario Arts Council (OAC) provides operating and project funding to over 20 arts councils. An interview with the OAC program officer provided insight into considerations other than population by which to identify comparators, such as the presence of a university and a public art gallery. The OAC considers that the arts councils in Guelph and Windsor provide the most comparable programs and services to those offered by EC3 while Kingston and Sudbury were included as the most comparable in terms of population. Table 2, in Appendix A, summarizes the final list of municipalities that were considered for this report. It is notable that many municipalities with a population greater than Peterborough's, such as St. Catharines and Waterloo, do not have an arts council.

Table 1 below, highlights funding sources for arts councils in the comparator municipalities, including Peterborough, to provide some insight into funding levels. This comparative research of arts councils focused on the mandate, governance, and finances within the context of each council's relationship to its municipality. Comparison between Peterborough and the other councils is challenging for a number of reasons. It is difficult to judge the level of the commitment of a municipality in supporting culture through their arts council versus municipal staff and it is made more difficult by each arts council itself being responsible for different programming.

Table 1 – Summary of Revenue Sources for Five Councils

| Municipality Fiscal year <sup>9</sup>           | Peterborough<br>2019 <sup>10</sup> | Sudbury<br>2019 | Kingston<br>2020 | Guelph<br>2019 | Windsor<br>2020 |
|---|------------------------------------|-----------------|------------------|----------------|-----------------|
| Municipal operating                             | 73,750                             | -               | 117,165          | 53,431         | 15,000          |
| Municipal project                               | 39,600                             | 1,088           | 22,344           | 700            | -               |
| Ontario Arts Council                            | 14,628                             | 13,792          | 13,495           | 9,575          | 23,643          |
| Other grants                                    | 52,317                             | -               | 3,550            | 4,344          | 17,120          |
| Sponsorship,<br>donations                       | 34,065                             | 21,833          | 1,653            | 51,884         | 42,465          |
| Membership                                      | 364                                | 790             | -                | 6,330          | 2,196           |
| Other (e.g. self generated,<br>interest, misc.) | 0                                  | 8,555           | 12,087           | 29,495         | 18,425          |

|  |         |                      |         |         |         |
|--|---------|----------------------|---------|---------|---------|
| Total revenue                                      | 214,724 | 46,058 <sup>12</sup> | 170,294 | 155,759 | 118,849 |
| Municipal operating grant as<br>% of total revenue | 34%     | -                    | 69%     | 34%     | 13%     |
| Net assets (cash)                                  | 12,549  | 36,098               | 22,260  | 75,127  | 58,352  |

The consultant observed that EC3 is currently funded through the MCP's capital budget. Unlike the City's community grant process, this leaves EC3 without a clearly defined application process and a way of anticipating or advocating for funding. EC3 is "young" compared to the other councils reviewed and according to the consultants review is doing very well within its mandate. It has built some financial reserves, is professionally managed, and is acknowledged as a leader among the Alliance of Arts Councils of Ontario. Compared to councils in larger cities (specifically Kingston, Guelph, and Windsor), EC3 is more successful than expected in almost all revenue streams. While it is hard to find entirely comparable comparator municipalities, it is clear that Peterborough is providing a funding level to its arts council above that of most other cities, especially given the size of Peterborough. It is also clear that there is no best practice or industry standard to determine an appropriate funding level. Each city provides funding based on their unique individual circumstances, the program expectations of their arts council, and how the arts council was originally formed.

The MCP includes the following objective and initiative as it relates to the creation and funding of a Culture Council:

Objective: Support the creation of a Culture Council as a community driven, arms-length advocacy body supporting, communicating, and coordinating the needs of arts, culture, and heritage organizations.

Section 3.1.1 Provide a service grant to support the development of a new Culture Council and explore opportunities for ongoing funding support

Council has met the objective and initiative in the MCP by supporting the creation of a Culture Council and providing a grant to support the development of this Culture Council. This funding has allowed the establishment of EC3 and has allowed EC3 to leverage other types of funding mainly from other government grant programs. While the MCP speaks to the main objective of the Culture Council as being an advocacy body and a group to coordinate the needs of the community's arts, culture, and heritage organizations, it has also been instrumental in implementing aspects of the MCP mainly under the Strengthening the Arts section. The MCP is nearing the completion of its main objectives and recommendations. It is not clear moving forward the role that EC3 will play in the new MCP to be developed. Staff also believe that the Heritage Preservation Office and PACAC provide a strong service to heritage and heritage organizations in the community and, as supported in the consultant's report, heritage does not need to be a focus of EC3 moving forward.

For the City to support the core mandate of EC3 outlined in the MCP and to continue with its initiatives to support the MCP while providing a funding level more in alignment with other cities in Ontario, staff are recommending to reduce funding so that by the end of the four year agreement general operating funding is provided at \$60,000 per year. Staff understand that an abrupt reduction in funding is not reasonable and may destabilize EC3 while it seeks out alternative funding sources. Therefore, a schedule of reductions is recommended whereas funding levels would see a small reduction from \$85,000 in 2020 to \$80,000 in 2021, then \$73,000 in 2022, \$66,000 in 2023, and finally \$60,000 in 2024. Funding to undertake ArtsWeek on behalf of the City would be maintained at its current level of \$25,000 per year.

The full report is attached as Appendix A.

### **Service Agreement and Outcome Requirements**

It is recognized that the ability to formally review the performance of EC3 in relationship to the funding it receives has not been adequate in the absence of a formal agreement with agreed upon outcome requirements. There have been short term agreements between EC3 and the City of Peterborough but the nature of the agreement recommended in this report would be a four year term, with yearly deliverables and regular meetings with city staff to ensure measurable outcomes are achieved.

The service agreement would provide documentation of deliverables and a mechanism to review annually including the requirement for audited financial statements. While arts and culture by its very nature does not lend itself to easy outcome measurement, staff are aware of examples being used. The Canada Council for the Arts and Ontario Arts Council grant funding has a formal annual report process that the City would expect to mirror to streamline the process for EC3. This is an established and credible grant funding review process that would allow for proper documentation of outcomes and achievements by EC3. Items that would be considered for inclusion in the Service Agreement could include requiring proof of broad representation of the arts and culture community in its governance and its programming, formal listing of initiatives from the MCP to be completed or operated and the outcomes expected, and required surveying of community arts and culture organizations that EC3 is meeting their needs and expectations.

In addition to the above, staff are further recommending that the funding provided to EC3 be used to concentrate on arts and culture. The City has strong programming and funding for the heritage sector through the Arts Culture and Heritage Division and its community grants program which is also supported by an established heritage committee (PACAC). Investing in EC3 to concentrate on the arts and culture community and their needs is where City funding can best be used. It is hoped that removing this expectation along with the internal staffing investments that the City has made in supporting public art that this can alleviate some workload burden on EC3 as well.

## **Arts, Culture and Heritage Advisory Committee**

The bylaw governing this Committee (Bylaw 12-152) dates to 2012 when the Committee was reconstituted. Staff are recommending that a review of this Committee and the bylaw be undertaken. It is important to review such bylaws on a regular basis to ensure that the roles and responsibilities of such a Committee remain relevant to the needs of the Corporation. Furthermore, the updating of the MCP provides an appropriate time to look at the role and responsibility of the Committee with regard to this policy document.

## **Summary**

The report and appendix provide a review of the Municipal Cultural Plan next steps and the recommendations regarding the City of Peterborough and the Electric City Culture Council relationship by formalizing a four year agreement for funding, responsibilities, and expectations.

Submitted by,

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Commissioner of Community Services

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### **Attachments:**

Appendix A: Ginder Consulting Report: Municipal Support for Arts, Culture and Heritage  
Comparative Report on Municipal Cultural Plans and Arts Councils