



Committee of the Whole Report

For the Meeting of May 21, 2020

To: Committee of the Whole **Date:** May 14, 2020
From: Kerri Moore, Head of Business and Community Relations
Subject: Festival Investment Grant Alternative Use

RECOMMENDATION

That Council direct staff to:

1. Report back with 2020 Festival Investment Grant recommendations based on organizations' programming intentions outlined in their grant applications
2. Require recipients to observe provincial health orders in their planning and delivery of cultural programming
3. Require recipients to submit final reports detailing how funds were used to pay artists, deliver cultural programming and engage audiences by December 31, 2020.

EXECUTIVE SUMMARY

Over the past two decades, the Festival Investment Program has invested approximately \$3,000,000 in cash and roughly \$2,000,000 in-kind support. Council has increased support for the program significantly since adoption of the Create Victoria Master Plan. This year's record number of applicants was a testament to the success of the program and an indication of the vibrancy of the events and festival ecosystem in Victoria prior to COVID-19. Two decades of progress and growth in the local arts sector could be undone should organisations continue to be unable to present to live audiences.

Arts and culture organisations have been in crisis since the declaration of global pandemic in March. Venues have been closed, artist contracts cancelled, and staff have been laid off. Due to the ongoing impacts of COVID-19 and resulting provincial health orders, most local not-for-profit events and festival organisers will not be able to present their cultural programs as proposed in their 2020 FIG applications. As a result, critical sponsorship, ticketing and other earned revenue streams will not be achievable. Organisations will have to rely on available funding from senior government programs and donations from patrons, while others will need to rely on contingency or reserves in order to maintain capacity to present in future.

Not-for-profits arts groups will need to pivot their content and delivery models in order to survive. Municipalities and senior government support will be critical to the short and medium term survival of local arts organisations.

PURPOSE

To provide Council with options for alternative use of approved 2020 FIG funding to support not-for-profit arts groups impacted by COVID-19 this festival season. These initial recommendations are in response to Council member motions passed at Committee of the Whole on May 14, 2020 directing staff to report back on options supporting the recovery of the arts and culture sector.

BACKGROUND

In March of 2020, COVID-19 was declared a global pandemic. Council reprioritized aspects of the 2020 Financial Plan in order to proactively respond to anticipated community need in the face of economic and social hardship. The previously approved \$25,000 increase to the 2020 FIG program has been redeployed to support residents, local business and the not-for-profit sectors facing hardship as a result of COVID-19 impacts. Core funding to the FIG program has been maintained in the updated financial plan.

A majority of FIG applicants have indicated that they will not be able to present this season as planned. Only a few festival applicants (4) were able to present their full programs prior to provincial health orders coming into effect. A few festivals remain hopeful that health orders will be lifted in time for their presentations later in the festival season. Without question some not-for-profit run festivals will be challenged to maintain operations and emerge from this crisis in a position to present in future.

Despite restrictive health orders currently in effect, arts presenters continue to find creative ways to connect with their audiences, provide employment for artists and engage community. A range of supportive senior government relief programs implemented in recent weeks may help to sustain many artists and organizations, however, some will be challenged access these funds.

The FIG program supports a broad range of events and festivals led by both volunteer and professional presenters with varying capacity for contingency. Should Council direct staff to flow the 2020 approved funding to qualifying applicants, the challenge will be to allocate funding so that as many at-risk arts organizations as possible emerge from the COVID-19 crisis with capacity to present in 2021 should conditions allow.

ISSUES & ANALYSIS

In 2019 Council allocated \$276,828 cash and \$128,700 in-kind to 35 festivals. We had a record number of applicants for the 2020 intake including many first time applicants, however, not all applications meet program criteria. Council has allocated \$283,749 to the FIG program through the 2020 financial planning process.

Applicants need to demonstrate that they are able deliver the programming proposed in order to be recommended for funding. A majority will not be able to deliver on their festivals as proposed in their applications. Should staff evaluate applicants according to the established FIG policy and criteria most festivals would not qualify.

Some festivals have proposed postponing events until later in the festival season when they hope that the Provincial Health Office will ease restrictions on public gathering. Others are re-evaluating their options and looking at other creative ways to present and engage audiences.

OPTIONS & IMPACTS

Option 1 (Recommended):

That Council direct staff to:

1. Report back with 2020 Festival Investment Grant recommendations based on organizations' programming intentions outlined in their grant applications
2. Require recipients to observe provincial health orders in their planning and delivery of cultural programming
3. Require recipients to submit final reports detailing how funds were used to pay artists, deliver cultural programming and engage audiences by December 31, 2020.

Grant proposals to be adjudicated, and recommendations put forward for Council's consideration, according to established FIG criteria applied to applicant's programming intentions at the time of application. Recipients are to be provided with the necessary latitude to employ creative approaches to connect with their respective audiences, pay artists and meet ongoing operational demands. Recipients will be required to observe mandated health orders, and report back on how funds were invested in 2020. Recipients will be required to prioritize City funding to pay artists, promote and deliver free content and meet ongoing operational demands. Any FIG funding not used for these purposes by year end would be returned to the City or carried over and applied to 2021 allocations.

Option 2:

Council to provide alternative direction to staff.

Alternative direction could include:

1. Withhold all FIG funding until Council is better able to assess its financial liabilities and future needs in the face of a protracted COVID-19 response.
2. Fund only those organizations that have not cancelled and manage to present programs as outlined in their applications. Grants would be returned to the City should funded organizations be unable to deliver 2020 programming as proposed.

Accessibility Impact Statement

There are no accessibility concerns related to the proposed recommendations in this report.

2019 – 2022 Strategic Plan

Nurturing and supporting arts, culture and creativity has been identified by Council as an operational priority. The Festival Investment Grant Program is consistent with achieving the outcomes for the following objectives in the 2019-2022 Strategic Plan:

- Strategic Objective #5: Health, Well-Being and a Welcoming City of Victoria
- Strategic Objective #8: Strong, Livable Neighbourhoods

Impacts to Financial Plan

The current FIG budget is \$283,749 and reflects an annual increase by inflation as directed by Council.

Official Community Plan Consistency Statement

The recommendation aligns with the following objectives in the Official Community Plan:

Section 14: Economy

14 (f). That the function of the Urban Core as the primary regional centre of employment, learning, arts, culture, entertainment, recreation and specialty retail is maintained and enhanced with high quality facilities, services and events

Section 16: Arts and Culture

16.6. Encourage broad access to arts and culture facilities, events and activities for people of all ages, incomes, backgrounds and lifestyles.

16.7. Encourage education, training and informal learning opportunities in the arts, design and culture.

16.19. Establish and maintain partnerships with professional artists and arts and cultural organizations to program the use of public space.

16.20 Continue to permit festivals, celebrations and special events in public spaces, such as streets, parking lots, plazas, civic squares and other open space.

16.21. Increase the use of parks for festivals, celebrations and special events

16.22 Continue to support and enable local, non-profit groups to host festivals, celebrations and special events through services, incentives and regulations.

CONCLUSIONS

Due to the ongoing impacts of COVID-19 and resulting health orders, most local not-for-profit events and festival organisers will not be able to present their cultural programs as proposed in their 2020 FIG applications. As a result, critical sponsorship, ticketing and other earned revenue streams will not be achievable. Organisations will have to rely on available funding from senior government programs and donations from patrons, while others will need to rely on contingency or reserves in order to maintain capacity to present in future. City support for FIG applicants during this unprecedented time will increase their capacity to pay artists, connect to audiences with limited access to cultural content and to simply 'keep the lights on' until they can once again present to live audiences.

Respectfully submitted,



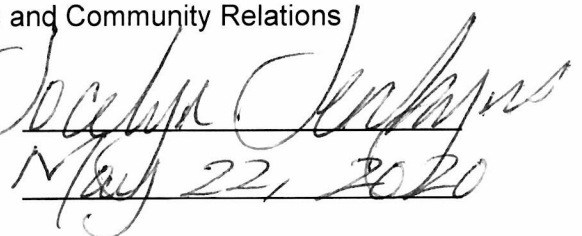
Jeff Day
Senior Cultural Planner



Kerri Moore
Head of Business and Community Relations

Report accepted and recommended by the City Manager:

Date:


May 22, 2020