

Date: July 30, 2021  To: Chair and Members of Budget Committee  From: Jodi Robillos, Acting Commissioner of Community Services	Originator's files:
	Meeting date: October 6, 2021

## **Subject**

### **2022 Culture Program Fees and Rental Rates**

## **Recommendation**

1. That the Culture program fees incorporating new, revised and existing charges for Culture programs, effective January 1, 2022 through to December 31, 2022, with the exception of general programs and camp fees, which are effective the start date of spring 2022 programs through to the end date of winter session 2023, as outlined in Appendix 1 attached to the Corporate Report dated July 30, 2021 from the Acting Commissioner of Community Services entitled "2022 Culture Programs Fees and Rental Rates" be approved.
2. That the Culture Education Program fees incorporating new, revised and existing charges for Culture School Education programs from September 1, 2021 through to August 31, 2022, as outlined in Appendix 2 attached to the Corporate Report dated July 30, 2021 from the Acting Commissioner of Community Services entitled "2022 Culture Programs Fees and Rental Rates" be approved.
3. That the Culture rental rates incorporating new, revised and existing charges for Culture rental rates and services, as outlined in Appendix 3 attached to the Corporate Report dated July 30, 2021 from the Acting Commissioner of Community Services entitled "2022 Culture Programs Fees and Rental Rates" be approved.
4. That User Fees and Charges By-law 0251-2020, as amended, be repealed effective at the end of December 31, 2021.
5. That a new consolidated fees and charges by-law, effective January 1, 2022, which will incorporate the approved fees and charges of various City departments, be enacted to incorporate and establish the new, revised, and existing Culture Program fees and rental rates as outlined in the Corporate Report dated July 30, 2021 from the Acting Commissioner of Community Services entitled, "2021 Culture Programs Fees and Rental Rates".

6. That the Culture program fees and charges currently listed in Schedule “F-2” of By-law 0251-2020, as amended, be added to the new consolidated fees and charges by-law.
7. That the Culture rental rates and services fees currently listed under Resident Artist Fees in Schedule “F-1” of By-law 0251-2020, as amended, be added to the new consolidated fees and charges by-law, which will apply to memberships initiated in 2021 and expiring in 2022.

## Executive Summary

- Culture program fees and rental rates are reviewed and analyzed annually in response to increased costs, current demand and market conditions. Price recommendations are based on cost recovery, availability of affordable offerings, utilizations trends, market rate analysis, customer and staff feedback.
- Fees for Paramount Fine Foods Centre have been added to align with the transfer of services from Recreation to Culture Division.
- After one year of City management of the Living Arts Centre, additional review and streamlining of operations has resulted in the update of fees for resident artists, facility rentals, technical services and other services.
- A new fee model has been introduced for the Living Arts Centre’s Birthday Parties and Corporate Workshops.
- Other housekeeping changes to fees have been made to improve clarity, transparency and ensure consistency and compliance.

## Background

On an annual basis, fees charged for Culture programs offered by the City are reviewed and, in accordance with the *Municipal Act, 2001*, adjustments for the following year’s fees and rental rates are recommended to Council for approval. This report sets out the proposed fees and rental rates for 2022. The 2022 fees and rental rates, when approved through this report, will be added into one consolidated user fees and charges by-law.

Program fees for registered programs and pay-as-you-go programs are managed in accordance with the Recreation fee cycle (spring to winter) to maintain marketing and billing alignment. School Education Programs fees are managed in accordance with the school year calendar (September to August). All other Culture fees are managed in accordance with a calendar year cycle (January to December) to align with the annual operating budget.

## Comments

Fee and rate changes are only recommended after significant analysis to determine demand and market sensitivity to price. Fee increases are recommended for those programs and lines of business that can absorb the increase without negatively affecting participation or revenue.

The criteria to determine whether a price change is identified includes: market rate analysis, benchmarking, utilization trends, percentage changes from the prior year, and feedback from customers and staff. The recommended housekeeping and pricing changes specific to various lines of business are outlined below.

### Paramount Fine Foods Centre Events

With the transfer of Paramount Fine Foods Centre Event operations from the Recreation Division to the Culture Division in September 2020, fees are now included in Culture Division's fees and charges. Fees were aligned, where possible, to ensure consistency in the areas of box office and front of house as a result of the twinning of the operations for the Paramount Fine Foods Centre Events and the Living Arts Centre. In response to increased demand for outdoor event spaces, new fees for parking lot events are proposed in addition to a booking set-up fee and a portable sound system fee to support these events (See Appendix 3: 2022 Culture Rental and Service Fees and Charges).

### Living Arts Centre

Since September 2020, the Culture Division has been managing the operations of the Living Arts Centre. Additional review of operations and further integration with existing Culture Division lines of businesses has resulted in revisions, additions and deletion of fees. Resident Artist fees were updated to further streamline the administration of the program (See Appendix 3: 2022 Culture Rental and Service Fees and Charges).

The Resident Artist Program fee structure has been aligned to comply with City standards and related studio fees streamlined to simplify them and better coincide with regular City practices.

New room rental fees are also being introduced to be consistent with the practice of providing affiliates with discounted rental fees. Affiliate groups will be removed from existing rental fees and provided with a discounted rate where one did not previously exist. Fees were also aligned in the areas of box office and front of house.

### Living Arts Centre – Technical and Equipment

Staff completed a review and comparison of the technical and equipment fees at the Living Arts Centre with existing Culture Technical Fees. Some fees have been reduced, others eliminated and new interim fees introduced to align with City standards (See Appendix 3: 2022 Culture Rental and Service Fees and Charges).

In addition, affiliate groups will be provided a 25 per cent discount on Technical and Equipment Fees charged to not-for-profit, community, private and commercial groups. All technical fees will need a further review to ensure alignment across all Culture facilities. This work will be completed and included as part of the 2023 Fees and Charges process.

### **Registered Programs**

An analysis of program fees was conducted that included benchmarking with Toronto, Oakville, Brampton and Visual Arts Mississauga. In comparison, analysis revealed certain price categories for Culture programs were priced at the higher-end. A priority for this line of business is to ensure entry-level programs are provided that are affordable and accessible. To ensure programs remain competitive, no change is proposed to Culture Programs Categories E and F as well as Culture Camps Category G. These changes will ensure cost recovery, improve affordability and provide increased access (See Appendix 5: 2022 Registered Program Benchmarking).

### **Programs - Birthday Party and Corporate Workshops**

With plans to reintroduce Birthday Party and Corporate Workshops at the Living Arts Centre, these lines of business underwent a fulsome review. The review examined historical offerings, delivery model and fees, which were then, benchmarked with other arts organizations and external companies offering similar programs. The goal was to develop a diverse menu of programs and to integrate these offerings into Culture's current delivery model and fee structure; this allowed for groupings to be categorized based on similar objectives and associated operational costs (See Appendix 4: 2022 General Programs, Camps and Workshop Categories).

New fees are proposed for unique programs such as Glass, Theatre Production and Collaborative Corporate Workshops. Birthday Party and Corporate Workshop fees are based on specified number of participants with the option of adding additional participants as needed.

### **Maja Prentice Theatre**

The City of Mississauga assumed the interim management and operations of the Maja Prentice Theatre in April 2021 when the not-for-profit Mississauga Theatre Alliance ended their Management and Operating Agreement. Two new interim fees have been approved by the Director of Culture and added based on current user needs to be effective immediately: rental of storage space at Maja Prentice Theatre (to ensure uninterrupted operations during the transition period) and a filming fee to allow for filming.

### **Housekeeping**

The majority of fees for Registered Education Programs, Creative Industries, Small Arms Inspection Building, Museums of Mississauga, Meadowvale Theatre and Celebration Square have been updated and adjusted to recover costs of service delivery and/or to align with rates within the industry and other City service areas. Additionally, where required, fee titles were

revised for clarity by adding associated fee units or specific user groups. New Education Program fees are being introduced at the Museums of Mississauga.

## Financial Impact

Most changes to Culture's fees and charges are the result of housekeeping recommendations and include inflationary increases based on cost recovery. As a result of the proposed increases, an \$80,000 revenue budget increase is forecast in the 2022-2025 Budget.

## Conclusion

The recommended fee and rental rate adjustments continue to focus on achieving an appropriate balance between user fees and property tax funding. Program fees are based on the philosophy that the user should 'share' the cost for participating in Culture programs. Paramount Fine Foods Events fees have been reviewed and included within Culture Division's fee structure for 2021-22.

Cultural programs and activities help to build strong communities, celebrate our heritage and contribute to the vibrancy of life in Mississauga. Cultural program and rental rates must ensure a proper balance between affordability, particularly for core services and 'at risk' populations, while limiting the reliance on the general tax base.

The fee and rental rate changes that have been proposed for 2022 attempt to maintain a balance between affordability and cost recovery for Culture programming and services.

## Attachments

- Appendix 1: 2022 Culture Program Fees and Charges
- Appendix 2: 2022 Culture School and Education Program Fees and Charges
- Appendix 3: 2022 Culture Rental and Service Fees and Charges
- Appendix 4: 2022 General Programs, Camps and Workshop Categories
- Appendix 5: 2022 Registered Program Benchmarking



Jodi Robillos, Acting Commissioner of Community Services

Prepared by: Cathleen Yoo, Supervisor, Culture Programs