

Date: August 21, 2020

To: Chair and Members of Budget Committee

From: Shari Lichterman, CPA, CMA, Commissioner of  
Community Services

Originator's files:

Meeting date:  
October 7, 2020

## **Subject**

**2021 Culture Program Fees and Rental Rates**

## **Recommendation**

1. That the Culture program fees incorporating new, revised and existing charges for Culture programs, effective the start date of spring 2021 programs through to the end date of winter session 2022, as outlined in Appendix 1 attached to the Corporate Report dated August 21, 2020 from the Commissioner of Community Services entitled "2021 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 August 21, 2020 from the Commissioner of Community Services entitled "2021 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 August 21, 2020 from the Commissioner of Community Services entitled "2021 Culture Programs Fees and Rental Rates" be approved.
4. That Schedule "F-2" of By-law 0156-2019, as amended, be amended to remove "Prices Effective: March 21, 2020" and replace with "Prices Effective: March 21, 2020 to end date of winter session 2021."
5. That Schedule F-2" of By-law 0156-2019, as amended, be further amended to state that the Culture Education Program Fees (Museum) are in effect until August 31, 2021.
6. That User Fees and Charges By-law 0156-2019, as amended, be repealed effective at the end of December 31, 2020.

7. That a new consolidated fees and charges by-law, effective January 1, 2021, 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 August 21, 2020 from the Commissioner of Community Services entitled, "2021 Culture Programs Fees and Rental Rates".
8. That the Culture program fees and charges currently listed in Schedule "F-2" of By-law 0156-2019, as amended, be added to the new consolidated fees and charges by-law.

## Report Highlights

- 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.
- After extensive review, fees for Living Arts Centre registered programs, school education programs, facility rentals, film permits, exhibitions, resident artists and other services have been added and set based on market rate analysis, benchmarking, alignment with similar, existing City fees and customer/staff feedback.
- To align with the school calendar year, a new fee schedule is proposed for School Education Programs at the Museums of Mississauga.
- Other housekeeping changes to fees have been made to improve 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 2021. The 2021 fees and rental rates, if 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 to 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.

### Living Arts Centre

The City of Mississauga integrated operations of the Living Arts Centre into the Culture Division in September 2020. As such, the Living Arts Centre fees have been incorporated into Culture Division's fees and charges starting with interim fees approved by the Director of Culture on September 1, 2020. New sections have been added to incorporate the Living Arts Centre fees under Programs, Education Programs and Rentals and Services. As with the rest of Culture Division's fees, newly added Living Arts Centre fees were recommended after significant analysis including: market rate analysis, benchmarking, alignment with other City fees and feedback from customers and staff. New fees were not added where there was alignment with existing City fees.

### Registered Programs

In anticipation of the City integrating Living Arts Centre operations into the Culture Division, a fulsome program review was completed for all existing Culture and Living Arts Centre registered programs. The goal of the review was to offer a centralized program model across the Living Arts Centre and Culture's Literary, Digital, Visual and Performing Arts programs. The new combined program offerings will ensure a consistent approach across all registered Culture Programs city-wide.

An analysis of program fees was conducted that included benchmarking with Toronto, Oakville, Brampton and Visual Arts Mississauga. Analysis revealed certain price categories for Culture programs were not competitive in the current market; in some cases, cost was impeding access. 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 C, E and F as well as Culture Camps Category D. Additionally, interim fees for highly specialized programs in Glass Arts at the Living Arts Centre were approved and in effect September 1, 2020. These new fees are captured in Culture Programs Categories I, J, K and L.

These changes will ensure cost recovery, improve affordability, provide increased access and strengthen the portfolio. A full assessment has been completed to ensure that each class resides in the most appropriate category based on cost recovery, benchmarking and trends (Appendix 5: Registered Program Benchmarking).

The effective date noted in Schedule “F-2” of User Fees and Charges By-law 0156-2019, as amended, is being amended to add an effective end date of end of winter session 2021. The purpose of this by-law amendment is for administrative purposes in order to keep the effective end date general.

Because the existing program fees and charges listed in Schedule “F-2” of the User Fees and Charges By-law 0156-2019, as amended, extend into 2021, those program fees and charges will also be included in the new consolidated user fees and charges by-law to cover the period until the 2021 program fees and charges outlined in this report are in effect.

### **School Education Programs – Museums of Mississauga and Living Arts Centre**

To recognize that schools follow a calendar year of September to June, a new schedule has been proposed for School Education Programs at the Museums of Mississauga. Previously, fee changes would take effect in the spring of each calendar year. To align with the school year, new fees will be introduced effective September 1, 2021 through to August 31, 2022. This change will require an amendment to Schedule “F-2” of User Fees and Charges By-law 0156-2019, as amended, and is reflected in Recommendation #5 of this report. Interim fees for School Education Programs at the Living Arts Centre were approved in September 2020 and will follow the revised schedule.

### **Housekeeping**

#### **Small Arms Inspection Building**

To meet the demand of groups looking to host smaller exhibitions, a Gallery Wall Rental fee is being introduced at the Small Arms Inspection Building. Adding this fee will expand on the current rental model by making it possible for groups to host small-scale exhibitions as opposed to renting the entire South Hall. Gallery Wall Rentals will not impact facility rentals of the South Hall. The fee is new to the Small Arms Inspection Building but aligns with the existing Exhibit Fee for the Great Hall. This rate has also been benchmarked against other facilities with hallway gallery programs outside of the City of Mississauga.

#### **Creative Industries – Film Location Fees**

To stay competitive within the film industry, film rates are set based on benchmarking of filming fees in other municipalities within the GTHA. Where an existing Commercial Group rate is set for City of Mississauga-owned facilities, filming fees are based on the Commercial Group rate plus an additional 10% administration fee. The exception to this fee structure is when benchmarking indicates the rate should be higher based on similar municipal facilities in the GTHA.

Interim film location fees for filming at the Living Arts Centre were approved in September 2020 as the City assumed operations of the facility. Filming fees at the Living Arts Centre are based on room size and amenities and are aligned to existing rates where applicable. The Living Arts Centre filming location fee aligns with the 2021 Community Centre filming fee and does not apply to Hammerson Hall, the Hammerson Hall Atrium, RBC Theatre and Parking Level 2.

Hammerson Hall, Hammerson Hall Atrium, RBC Theatre and Parking Level 2 each have their own fee based on benchmarking of film fees of similar spaces. The film location fees apply to the primary location for filming at the Living Arts Centre. Any additional spaces are charged at the Living Arts Centre Commercial Group rate plus an additional 10% administration fee.

To ensure alignment with location fees for Community Centre filming and RBC Theatre, film permits at Meadowvale Theatre will see an increase of 5.4%.

Additionally, a “film processing fee” is being introduced for the administration of film permits for bookings whose primary intent is not filming. The Processing fee is a cost recovery for when a film office permit is required for live events that include a film or television production. The Processing Fee would be implemented upon request by facility management to administer the film permit.

The majority of fees for Registered Education Programs, Meadowvale Theatre and Celebration Square have been adjusted to recover costs of service delivery or align with rates within the industry and other City service areas.

## 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, a \$22,100 revenue budget increase is forecast in the 2021-2024 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. Living Arts Centre program and rental fees have been reviewed and included within Culture Division’s fee structure for 2020-21.

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 2021 attempt to maintain a balance between affordability and cost recovery for culture programming and services.

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## Attachments

Appendix 1: 2021 Culture Program Fees

Appendix 2: 2021 Culture School Education Program Fees

Appendix 3: 2021 Culture Rental and Service Fees

Appendix 4: 2021 General Programs & Camps

Appendix 5: Registered Program Benchmarking



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