

City of Mississauga Corporate Report



<p>Date: September 3, 2024</p> <p>To: Chair and Members of Subcommittee of Council - Arts, Culture, Festival Groups</p>	<p>Originator's files:</p>
<p>From: Jodi Robillos, Commissioner of Community Services</p>	<p>Meeting date: September 5, 2024</p>

Subject

Staff Response to Culture Sub-Committee July 18th direction

Recommendation

That the Corporate Report entitled "Staff Response to Culture Sub-Committee July 18th direction" dated September 3, 2024 from the Commissioner of Community Services be received for information.

Executive Summary

- The current annual budget for the Culture Grants Program is \$3,520,500 which equates to \$4.90 per capita
- There are challenges when comparing per capita data across municipalities due to the inconsistency of reporting and metrics for which each city considers a grant
- Mississauga provides Arts & Culture groups significant benefits through the Community Group Registry Program which is over and above its granting process.
- Culture Grants Program includes 3 streams: Arts and Culture operating grants; Cultural festivals and celebration grants; and Culture project grants.
- In 2024, demand for culture grant programs reached an all time high with 81 groups requesting funding that exceeded the available budget by over \$1 million.
- In 2024, 70% of the funding for Culture and Festival grants was allocated from the City's portion of the Municipal Accommodation Tax.

Background

Direction was given to Recreation and Culture staff on July 18th, to report back on the City of Toronto's per capita investment in Arts and Culture Groups, and rationale for selecting the specific cities for benchmarking per capita investments. Direction was also given to staff to provide a layout of financing and ranking of the City of Mississauga's per capita investment in

relation to other comparable cities and include sources of funding maintained in the reserves from the MAT tax including amounts and allocations, and general financing information.

Comments

Per Capita Grant Spending

Benchmarking – update from July 18 meeting

Using population from the 2021 Census (717,961) the per capita investment for the City of Mississauga Culture Grants Program is \$4.90 resulting in an annual budget of \$3,520,500.

The benchmarked municipalities were selected to compare similar sized municipalities nationally and comparable municipalities in the GTA. The municipalities shown in the staff deputation at the sub-committee of Council meeting July 18 2024 were within a 300,000-person population of Mississauga. The chart below has been updated to include Calgary and Toronto. Due to the complexities of how cultural spending is administered at the provincial level in Quebec, the City of Montreal has been excluded from benchmarking.

Municipality	Population (2021 Census)	Total Culture Grants Budget (2023)	Per Capita Grants Spending
Vancouver	662,248	\$16,596,516	\$25.06
Edmonton	1,010,899	\$15,022,220	\$14.86
Calgary	1,306,784	\$18,600,000	\$14.23
Toronto	2,794,356	\$35,898,281	\$12.85
Ottawa	1,017,449	\$11,900,000	\$11.70
Hamilton	569,353	\$3,652,212	\$6.41
Winnipeg	749,607	\$4,088,400	\$5.45
Mississauga	717,961	\$3,520,500	\$4.90
Brampton	656,480	\$781,734	\$1.19

Challenges comparing per capita spending across municipalities

Throughout the benchmarking process, staff encountered challenges in finding comparable information between municipalities that reflect their actual grant funding. The biggest challenge is understanding what kinds of activities are considered grant funds compared to other City-spending which in many cases prevents an “apple-to-apples” comparison across municipal grant programs. For instance, the City of Vancouver’s grant program includes a theatre rental grant that offsets certain costs associated with a performance in a municipally owned theatre. In contrast, the City of Mississauga offer reduced rates on a range of City-owned venues for all groups registered in the Community Group Registry Program which is administered independently of the City’s Culture Grant Program. The City of Mississauga’s approach eliminates the competitive process, and instead, equitably distributes venue support for all eligible groups while cutting the administrative burden of another grant application for the community group. Both of these systems are valuable, however the City of Vancouver’s support

is labelled a grant and captured in their grants per capita spending, while the City of Mississauga's support is in addition to the grant funding available and not captured in our per capita spending.

The City of Mississauga has provided investments in cultural programs and introductory arts experiences for many years through the provision of classes, courses and camps. These experiences are meant to provide an opportunity for residents to try programs like visual arts and performing arts at their local community facilities. Some municipalities do not provide these programs directly, instead fund arts and culture groups to deliver these services on behalf of the City.

Similar comparative issues arise when one core grant stream for the City of Mississauga is not offered by other municipalities. For instance, municipalities such as Vancouver, Winnipeg and Hamilton do not offer annual festival-specific funding, which forces festivals to compete for other municipal grants with a variety of organizations. As a result, trying to find a stable dollar value that summarizes those municipalities' investments in festivals is challenging.

Because municipalities define cultural investment differently, our benchmarking exercise found that many municipalities do not use the per capita metric in their reporting. The City of Toronto cautioned staff from using the per capita investment in Culture or even granting dollars, simply because it is too challenging to find stable, accurate comparisons across municipalities.

Additional City Support

Additional in-kind services provided by City of Mississauga to community organizations (including arts and cultural groups)

The Community Group Registry Program (CGRP) per Corporate Policy (08-01-01) is designed to support not-for profit community groups, organizations and clubs that deliver programs and services that benefit Mississauga residents. There are currently 279 community organizations registered in the Community Group Registry Program including 48 Arts and Culture Providers. While participating in the CGRP is not a requirement of receiving a culture grant, participation is strongly recommended to applicants given the benefits participating in the program provides. Benefits for the registered groups include:

Discounted Rental Rates

Council approved rates and fees are outlined in the City's Rates and Fees Schedule. Registered Arts & Culture Providers are eligible to receive the "affiliated rate" which is the largest discount available when renting City facilities. The difference between the affiliated rate and resident rate varies based on facility. Each booking is unique and may have additional charges based on the scope.

The following are some examples of rental rates for commonly accessed City facilities:

	Affiliated Rate	Resident Rate	Approximate Savings
Meeting Room Category A	\$17.17 per hour	\$27.58 per hour	\$10.41 per hour
Park Permits	\$69.81 per area per day	\$102.66 per area per day	\$32.85 per area per day
Mississauga Celebration Square Lower	\$65.55 per day	\$123.75 per day	\$58.20 per day
Meadowvale Theatre Auditorium	\$265.25/day	\$472.70 per day	\$207.45 per day
LAC Main Auditorium	\$2,289.32/day	\$4,154 per day	\$1,865 per day
LAC Studio Theatre	\$665.51/day	\$1,308.18 per day	\$642.67 per day

In addition, registered Arts & Culture Providers are eligible to receive a discounted vendor licensing rate resulting in a savings of approximately \$22.54 per vendor (registered groups pay \$37.40 per vendor compared to the regular rate of \$59.94 per vendor).

Registered groups are also eligible to receive a free room rental for their Annual General Meeting valued at approximately \$145.23 (e.g. Category C Meeting Room @ \$48.41 per hour x 3 hours) and free room rentals for up to 12 (monthly) Executive Meetings per year valued approximately \$412.08 (e.g. Category A meeting room @ \$17.17 per hour x 2 hours per month).

Affiliate Insurance

Eligible Arts & Culture Providers can apply for the City's Affiliate Insurance Program, a third party commercial general liability policy. Insurance costs can range based on the scope of activity however this is a substantial benefit for groups that otherwise could not afford their own insurance. In 2024, the city paid approximately of \$20,000 in insurance premiums for registered arts and culture providers. Registered groups can also access the City's designated insurance broker to purchase a discounted Directors and Officers Liability Insurance.

Promotional Opportunities

Registered groups have permission to place up to 10 mobile signs on city road allowances each year. Registered groups have the opportunity to display a poster on message boards in community centres and libraries, add their events to the Events Calendar on the City Web Site and receive a 20% discount on the purchase digital advertising on City recreation centre screens.

Cultural Grants Budget

The current annual budget for the Culture Grants Program is \$3,520,500. This budget increased incrementally over the past six years and has remained the same since 2023. The table below outlines historical growth in demand for the Culture Grants Program. Demand has been increasing in two ways: there is a growing number of new applicants including new and emerging organizations; and currently funded groups are requesting more funding. In 2024,

there was a record total of 81 applicants. With this added demand, the amount requested relative to what could be accommodated was short by \$1,066,108. As a result, annual increases for currently funded groups could not be accommodated and funding to support new applicants was limited.

Year	History of Culture Grants Demand				
	Budget	Requests	Oversubscription	Number of Applicants	Number of Funded Applicants
2019	\$2,838,800.00	\$3,264,893.00	\$426,093.00	57	54
2020	\$3,049,000.00	\$3,461,600.00	\$412,600.00	59	54
2021	\$3,261,300.00	\$3,459,522.00	\$198,222.00	58	57
2022	\$3,261,300.00	\$3,834,808.00	\$573,508.00	67	59
2023	\$3,475,800.00	\$3,952,016.00	\$476,216.00	65	55
2024	\$3,520,200.00	\$4,586,308.00	\$1,066,108.00	81	58

Projected Demand

It can be challenging to anticipate future grant demand as requests can be highly variable particularly for multi-year grants where there are no funding caps in effect. However, based on the current grant guidelines and existing oversubscription, future demand on the grants budget can be reasonably projected. The table below outlines a forecast for 2025-2027. This forecast considers increases for returning applicants to reflect increased operating costs due to inflation and a contribution towards their sustainability and growth; funding for new applicants based on historical demand, and honoring the confirmed multi-year agreements for 2024-2026.

	2024 Actuals	2025 Forecast	2026 Forecast	2027 Forecast
Arts & Culture Multi Year Grant	\$1,592,000	\$1,631,000	\$1,643,760	\$1,974,893
Arts & Culture Annual Grant	\$984,522	\$1,246,826	\$1,324,167	\$1,426,151
Culture Projects Grant	\$56,000	\$85,000	\$100,750	\$115,750
Cultural Festivals Annual Grant	\$543,248	\$865,598	\$921,192	\$979,252
Cultural Festivals Multi-Year Grant	\$360,000	\$360,000	\$360,000	\$360,000
Total Culture Grants	\$3,535,770	\$4,188,424	\$4,349,869	\$4,856,046

Projections show a large increase in funding for multi-years to take place in 2027 when the majority of existing multi-year grants are due to expire. Staff acknowledge that a number of multi-year recipients have expressed an interest in receiving additional funds immediately. Should these groups be permitted to re-open their funding requests for the 2025 grant cycle this would impact projected demand significantly and consideration should be given to ensure

sufficient budget funding to support a balanced approach to accommodate increases for other grant recipients and requests from new applicants including new and emerging groups. The projected demand if multi years were permitted to re-open is below.

	2024 Actuals	2025 Forecast	2026 Forecast	2027 Forecast
Arts & Culture Multi Year Grant	\$1,592,000	\$1,910,400	\$2,005,920	\$2,106,216
Total Culture Grants	\$3,535,770	\$4,467,824	\$4,712,030	\$4,987,369

It should be noted that the current grant guidelines do not impose a maximum dollar value for Multi-Year Arts & Culture grants. This poses challenges in outlining accurate budget projections and in providing clear expectations for groups on how they can build their own future budgets in accordance with constraints on funding available from the City. This challenge will only increase further as more groups become eligible for multi-year funding.

Funding Source

In 2024, 70% (\$2,481,750) of the funding for Culture grants was provided by the City of Mississauga's portion of the Municipal Accommodation Tax. The remainder was tax funded.

The City of Mississauga introduced the collection of Municipal Accommodation Tax (MAT) in February 2018, with an implementation date of April 1, 2018. MAT is a tax payable by applicable accommodation providers in order to fund tourism related initiatives and infrastructure. According to Section 5 of the Transient Accommodation Tax regulation under the Municipal Act, since the City of Mississauga did not have a destination marketing program prior to the introduction of the MAT, the municipality is required to share 50% of the net revenues from the tax with an eligible not-for-profit tourism organization.

As such, fifty per cent of the total net MAT revenue collected is remitted to Tourism Mississauga. Tourism Mississauga is a municipal services corporation owned by the City, which operates as a destination marketing organization (DMO). The City of Mississauga's portion of the MAT is used to fund culture grants to support arts, heritage, and cultural festivals or celebrations in Mississauga, as well as costs relating to the hosting of citywide sports or culture events. The funds are also used for tourism-related capital improvements and infrastructure needs.

Staff will present information through the 2025 budget process on the capital projects slated to be funded by the Municipal Accommodation Tax and propose changes to grant funding subsequent to the recommendations from the Arts and Culture Sub-Committee of Council.

Financial Impact

There are no financial impacts resulting from the Recommendations in this report.

Conclusion

Staff have provided updated information on municipal benchmarking for per-capita grant funding. There remains inconsistencies in how municipalities provide grants to culture groups. There continues to be a growing demand from both existing and new groups for funding for arts, culture and festival events and programs in the City of Mississauga. Staff are committed to working with Council and our new and existing groups to ensure process and funding improvements are implemented in order to sustain the vibrant arts community in Mississauga.



Jodi Robillos, Commissioner of Community Services

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