

City of Kingston Report to Council Report Number 21-095

То:	Mayor and Members of Council
From:	Peter Huigenbos, Commissioner, Business, Environment &
	Projects
Resource Staff:	Colin Wiginton, Cultural Director, Cultural Services
Date of Meeting:	March 23, 2021
Subject:	Renewal of the Service Level Agreement between the City of Kingston and the Kingston Arts Council and Council Participation in the 2021 City of Kingston Arts Fund Jury

Council Strategic Plan Alignment:

Theme: 4. Strengthen economic development opportunities

Goal: 4.2 Foster Innovative arts, culture and social enterprises

Executive Summary:

The purpose of this report is to ask Council to approve the renewal of the existing Service Level Agreement between the City of Kingston and the Kingston Arts Council. Since 2012, the City of Kingston has entered into a Service Level Agreement with the Arts Council on an annual basis that supports the organization to continue to function as local professional arts service organization that operates arms-length from the City of Kingston and that serves professional arts, arts professionals and arts organizations.

The City's support for the Arts Council is critical and allows it to pursue its main activities that include, but are not limited to, professional development, support for capacity building, raising public awareness for the value of the arts, advocacy work, providing networking opportunities and administering the City of Kingston Arts Fund (CKAF) to the local professional arts community. The Arts Council also receives support through the Ontario Arts Council, targeted project grants, program fees and various fundraising initiatives, including bingo revenue.

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The Arts Council's administration of the CKAF represents a significant portion of the Service Level Agreement each year and Council approved the most recent 'Plan for Administration of the Arts Funding for the Corporation of the City of Kingston in 2021' at its regularly scheduled meeting held on December 15, 2021 through <u>Report 10</u> received from the Arts, Recreation & Community Policies Committee that guides the management of the Operating and Project Grant programs.

In 2021, the CKAF has expanded to include two new funding streams supported by one-time, Council approved funding of \$200,000 as a response to the impact of the COVID-19 pandemic on artists and not-for-profit arts organizations. Council approved the framework for administering these two new funding streams through <u>Report Number 21-088</u> and the Arts Council will be launching the Resiliency Grant program in April 2021 followed by the Adapt Grant program in June 2021.

The Service Level Agreement outlines the key objectives and direction for the Arts Council and identifies the services to be delivered on behalf of the City, that align with the recommendations of the Kingston Culture Plan, other arts-based City-approved strategies and Council's Strategic Priorities. The agreement also includes annual financial support that is transferred to the Arts Council from the Cultural Services Department's operating budget to fund the services as defined. This relationship has been renewed and expanded each year in exchange for an increased level of service.

In tandem with the renewal of the Service Level Agreement, Council is also asked to appoint two Councillors and a City staff member to participate as ex-officio, non-voting members for the jury meetings specific to the CKAF Operating and Project Grant programs. At the jury meetings, the Councillors and staff provide, upon request, broader community perspectives and information on the City of Kingston objectives for the CKAF program.

Recommendation:

That the Mayor and Clerk be authorized to execute a Service Level Agreement between the City of Kingston and the Kingston Arts Council that identifies the services to be provided by the Kingston Arts Council and the associated funding to be issued by the City of Kingston for those services, in a form acceptable to the Director of Legal Services; and

That Council approve the release of \$128,008 from the Cultural Services Department's 2021 operating budget to support the Kingston Arts Council and the services identified as part of a Service Level Agreement between the City of Kingston and the Kingston Arts Council in 2021; and

That Councillor ______ be appointed to participate in the City of Kingston Arts Fund jury meeting scheduled for Tuesday, May 25, 2021 from 9:00 am – 4:00 pm (the Operating Grants jury); and

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That Councillor ______ be appointed to participate in the City of Kingston Arts Fund jury meeting scheduled for Thursday, May 27, 2021 from 9:00 am – 4:00 pm (the Project Grants jury); and

That Colin Wiginton, Cultural Director, or his designate, be appointed as the City staff member to participate in the two jury meetings scheduled for Tuesday, May 25 and Thursday, May 27, 2021.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Peter Huigenbos, Commissioner, Business, Environment & Projects

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Lanie Hurdle, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services	Not required
Brad Joyce, Commissioner, Corporate Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

The 2020 Service Level Agreement between the City of Kingston and the Kingston Arts Council will come to an end on March 31, 2021. In December 2020, the Arts Council submitted a 'Year End Report' to staff as required that provided an overview of activities, including the services identified as part of their current Service Level Agreement. The report is an internal document that is reviewed by staff to ensure compliance with the services outlined in the Service Level Agreement and it is supplementary to the <u>Annual Report</u> the Arts Council produces each year that is shared publicly and reports on its activities and tracks the impact of programs like the CKAF.

Staff have reviewed the 2020 Year End Report and have released the final 10% of the funding owed as per the current Service Level Agreement and in recognition of the fact the Arts Council has completed their work as required. A summary of selected activities from the 2020 Year End Report includes the following:

- Created and maintained a COVID-19 resources page on the <u>Arts Council website</u> that promoted and shared information on arts funding, emergency response benefits, arts resources and other local health and wellness resources available to the arts community;
- Developed procedures and plans to support recipients of the CKAF whose operations and programming were impacted by COVID-19;
- Administered the 2020 CKAF program; delivered information sessions and a grant writing workshop to support applicants; and coordinated the 2020 grant awards;
- Implemented an expanded consultation process for the development of the 2021 Plan for Administration for the CKAF that engaged arts organizations, collectives and artists to understand their current and anticipated needs, opportunities and challenges in relation to arts funding;
- Submitted quarterly activity and financial reports related to the CKAF to the City of Kingston;
- Launched the Essential Arts Thinking Group that regularly brought together artists with the objective of building a vision for the future of the arts sector in Kingston;
- Commissioned five videos featuring the 2020 Mayor's Arts Awards recipients and worked in collaboration with the Cultural Services Department to promote the program;
- Offered two professional development workshops for artists, arts collectives and organizations on topics including grant writing and respectful workplaces in the arts; and
- Developed an Annual Report highlighting the Kingston Arts Council's programs and services in 2019-2020 that included a section on Grants that reports on performance measures including the impact of CKAF to date, as well as the most recently completed grant cycle.

In spite of the challenges created by the COVID-19 pandemic, the Arts Council was able to deliver their core services even as public health guidelines and closures of the Tett Centre for Creativity and Learning, where the Arts Council is located, impacted office hours and forced the temporary suspension of their public-facing exhibition space known as <u>Unit 115</u>.

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Programming plans were also impacted, and the Arts Council shifted their focus to deliver some limited online programming and professional development opportunities. They also brought the artist community together to engage in conversations and to plan and advocate on a new future and vision for the arts sector in Kingston.

The Arts Council worked hard throughout 2020 to maintain organizational stability that included continuing to employ three staff while working closely with artists and community partners to ensure the arts sector was able to respond to issues that arose. Due to the impact of COVID-19, it is projected the organization will end its 2020-2021 fiscal year on March 31, 2021 with an unanticipated surplus, which is the result of a reduction in program-related expenses coupled with additional revenues received through federal rent and wage subsidy programs. It is anticipated the surplus funds will go towards supporting the Arts Council's 2021-2022 programs, as well as its operating reserve fund.

The Arts Council continues to fulfill a vital role within the Kingston community and staff are recommending the City of Kingston renew its Service Level Agreement in 2021 so the organization can further support the recovery, sustainability and on-going development of the arts sector in Kingston, and continue to develop and administer the CKAF.

2021 City of Kingston Arts Fund

The Arts Council has successfully administered the CKAF since 2007 when the program was first launched. In 2021, the administration of the CKAF will include the annual Operating and Project Grant programs as well as two new funding programs supported by a one-time investment of \$200,000 approved by Council in response to the impact of the COVID-19 pandemic on artists and not-for-profit arts organizations.

In November 2020, the Arts Advisory Committee passed a motion to support the revised 'Plan for Administration of the Arts Funding for the Corporation of the City of Kingston in 2021' prepared by the Arts Council that outlines the framework for administering the annual Operating Grants and Project Grant programs. The 2021 Plan for Administration was subsequently approved by the Arts, Recreation & Community Policies Committee on December 2, 2020 through <u>Report Number ARCP 21-001</u> and by Council on December 15, 2021.

The Kingston Arts Council has begun to implement the 2021 Plan for Administration and the submission deadline for both Operating and Project Grant applications has been set for April 21, 2021. The applications are then scheduled to be reviewed in May 2021 and Council is required to appoint two Councillors plus a City staff member to participate in both the Operating Grants and Project Grants jury meetings. These meetings are scheduled to take place on Tuesday, May 25, 2021 for the Operating Grants jury and on Thursday, May 27, 2021 for the Project Grants jury. Both meetings will take place online over the course of one day from 9:00 am until 4:00 pm. At the jury meetings, the Councillors and staff provide, upon request, broader community perspectives and information on the City of Kingston objectives for the Arts Fund program.

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In addition, Council approved the framework for administering its one-time investment of \$200,000 in artists and not-for-profit arts organizations through the CKAF at its meeting on March 2, 2021 through <u>Report Number 21-088</u>. The Arts Council will be launching the Resiliency Grant program, as outlined, in April 2021 followed by the Adapt Grant program in June 2021. This additional funding will be used to directly support individual artists along with artist collectives and non-profit arts organizations addressing challenges caused by the COVID-19 pandemic and/or addressing specific community needs.

In 2021, the total funding available to support the CKAF includes \$569,050 for the annual Operating and Projects Grant programs and \$200,000 in Council approved, one-time funding for the Resiliency and Adapt Grants bringing the total City investment in the arts sector this year to \$769,050.

2021 Service Level Agreement

Staff have already begun revising the 2021 Service Level Agreement in consultation with the Arts Council's staff and Board of Directors and it is anticipated to include the following services:

- Administer the 2021 CKAF that includes, but is not limited to, the following:
 - Administer the annual Operating and Project Grant programs as per the Plan for Administration approved by Council;
 - Administer the one-time Resiliency and Adapt Grant programs as per the framework approved by Council;
 - Pursue strategies to increase the profile of the CKAF as well as its continuing growth and success that includes targeted efforts to attract an increased number of applications from across the community;
 - Oversee the application process, receive submissions, coordinate the jury and adjudication process, and distribute the grants; and
 - Promote and raise awareness of the impact of the City's investment in the arts through the CKAF and increase the profiles of grant recipients.
- Plan for the 2022 CKAF that includes the development of a revised Plan for Administration, supported by community consultation.
- Participate in the City-led review of the CKAF as part of a larger review of arts and heritage funding to be undertaken by the Cultural Services Department in 2021.
- Support the 2021 Mayor's Arts Awards program through the commissioning of profile videos of the recipients.
- Support sector development through the provision of targeted professional development and training opportunities for professional artists, arts professionals and arts organizations.
- Continue to provide support in response to the COVID-19 pandemic specific to the arts sector, including information sharing, data gathering and reporting, and to work across sectors and with colleagues from other regions to assist with the re-emergence of the arts sector post-pandemic.

The Arts Council will continue to provide quarterly reports related to the CKAF as well as a year-

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end report for the organizations. They will again deliver an Annual Report that will be made public at the Arts Council's Annual General Meeting and on their website.

In support of the Arts Council, the Cultural Services Department's 2021 operating budget, as approved, includes \$128,008 to support the organization. That amount includes \$119,508 in the form of an operating grant as well as an additional \$8,500 to support the Arts Council's participation in the annual Mayor's Arts Awards program. As a result of the impacts of the COVID-19 pandemic, staff have proposed the operating grant be maintained at the same level as it was in 2020. That support typically increases by inflation each year, but it is being held at the 2020 level to control spending while ensuring organizational stability for the Arts Council even as office hours and programming have had to be modified and/or reduced. Similar measures were taken in relation to the Cultural Services Department's own operating budget in 2021.

If necessary, the Service Level Agreement as written, allows for amending agreements to be developed and approved to support additional work that might emerge. That additional work may be administrative in nature or project-based and, in recent years, has included initiatives such as the organization of Culture Days programming and promotion that extends the Arts Council's outreach to the community and that compliments existing Council Strategic Priorities. Staff negotiate such amending agreements with the support of the City's Legal Services Department and such agreements are then executed by the Mayor and City Clerk and have in the past been supported by reallocating funds within the Cultural Services Department's operating budget.

Currently, the Arts Council is in the final stages of approving its operating budget for 2021. This process has been delayed given the dynamic nature of the current circumstances but is on track to be confirmed by the end of March 2021. As part of its deliberations, the Arts Council's Board of Directors is considering using a percentage of the organization's accumulated surplus in 2020 to support the additional staff time required to administer the Resiliency and Adapt Grant programs. If necessary, an amending agreement may be needed to provide additional funding to support that work, but it is anticipated the additional funding required will be modest and can be managed by reallocating existing funds within the Cultural Services Department's 2021 operating budget.

Next Steps

With Council's approval, staff will meet with the Arts Council's staff and Board to finalize revisions to the 2021 Service Level Agreement. Once that work has been completed, the 2021 Service Level Agreement will be approved by the Arts Council's Board so it can then be executed by the Mayor and Clerk in a form acceptable to the Director of Legal Services.

Existing Policy/By-Law:

Investing in Kingston Arts Council through a Service Level Agreement on an annual basis aligns with a number of recommendations identified in the Kingston Culture Plan approved by Council

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in September 2010. It also helps to fulfill various City-approved strategies and plans as well as Council's Strategic Priorities, including fostering arts, cultural and social enterprise.

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

Funding for the Kingston Arts Council in 2021 was included as part of the approved 2021 operating budget for the Cultural Services Department. That funding includes \$119,508 in the form of an operating grant as well as an additional \$8,500 to support the Arts Council's participation in the annual Mayor's Arts Awards program for a total of \$128,008. That funding will be paid out in three installments that include: (1) 25% of the operating grant to be paid out when Council approves the renewal of the Service Level Agreement between the City of Kingston and the Kingston Arts Council; (2) 65% of the operating grant and 100% of the funding to support the Mayor's Arts Awards program to be paid out when the 2021 Service Level Agreement has been signed by both parties; and (3) 10% to be paid out upon receipt of the Kingston Arts Council's year-end report. The funding to support the CKAF (totaling \$769,050) will also be issued once the Service Level Agreement has been signed by both parties and is required to held in a separate, interest bearing account under the terms of the Service Level Agreement.

Contacts:

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Other City of Kingston Staff Consulted:

Danika Lochhead, Manager, Arts and Sector Development

Exhibits Attached:

None