



COUNCIL REPORT

Report Date: May 30, 2023
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Meeting Date: July 25, 2023
[Submit comments to Council](#)

TO: Vancouver City Council
FROM: General Manager, Arts, Culture, and Community Services
SUBJECT: 2024 Arts and Cultural Grants

RECOMMENDATIONS

- A. THAT Council approve the 2024 Arts and Culture Grants Program Framework as presented in this report which outlines the policy, programs, adjudication process, budget, and accountability requirements to support ongoing and emerging needs in the local arts and culture sector.
- B. THAT Council delegate decisions related to any other operational matter related to administering the 2024 Arts and Culture Grants Program Framework that is not described or contemplated in this report to the General Manager of Arts, Culture, and Community Services.

CONSIDERATIONS

- C. THAT Council identify any amendments to the Arts and Culture Grants Program Framework as presented in this report and direct staff to report back with a plan for implementation in 2024, along with any associated implications.
- D. THAT Council direct staff to conduct a review of different municipal models to deliver cultural services and report back with options in 2024.
- E. THAT, to enable more efficient granting processes, Council direct staff to report back on the potential for expanding delegated authorities within the context of granting, similar to procurement delegated authorities.

PURPOSE AND EXECUTIVE SUMMARY

The purpose of this report is to seek Council's endorsement of the 2024 Arts and Culture Grants Program Framework, including described program modifications to address emerging and evolving community needs. It further provides an option for Council to consider directing staff to conduct a review of municipal cultural service delivery models should Council wish to explore broader changes to Arts & Culture granting and a consideration to improve efficiency of granting processes through delegation to staff for smaller grants.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

On September 10, 2019 Council adopted Vancouver's 10-year culture plan *Culture|Shift: Blanketing the City in Arts and Culture*, including *Making Space for Arts and Culture*, and the *Vancouver Music Strategy* [Minutes - Regular Council meeting: 2019 Sep 10 \(vancouver.ca\)](#)

CITY MANAGER'S COMMENTS

The City Manager concurs with the foregoing recommendations and considerations as presented for Council's consideration.

CONTEXT AND BACKGROUND

The City of Vancouver has a long history of providing grants to local arts and culture non-profit organizations (NPOs). With that support, the City recognizes the role that arts and culture play in elevating the distinct characteristics of a city and in creating access to unique cultural experiences that reflect the lives and values of those who live in the city.

The goals and administration of the grant program are updated continuously to reflect current needs and opportunities of Vancouver's arts and culture sector, and to align with Council priorities and create efficiencies in the process. For example, a significant review of the City's cultural programs occurred recently, culminating in new policy, programs and processes adopted by Council in 2019. *Culture|Shift: Blanketing the City in Arts and Culture*, including *Making Space for Arts and Culture* and the *Vancouver Music Strategy*, responded to community needs for more equitable distribution of resources for the sector. Table 1 illustrates specific changes made to meet key directions, as embedded in the culture plan.

Table 1 – Changes in Response to Community Needs - Culture|Shift

Change	Community Need	Outcome	Governance
Policy	Investments that reflect the diversity of creative voices in the city	<i>Culture Shift</i> , 10-yr Culture Plan	Council
Program	Programs that center under-represented artists, groups, and the public	New Cultural Equity, Cultural Indigenous grants programs, and Vancouver Music Fund	Council

Process	Decision-making frameworks that are welcoming to, and informed by diverse arts and culture communities	Over 50% diverse representation on committees, equity integrated into eligibility and assessment criteria, established priority groups	Operational
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The outcome of this shift has been the addition of 90 new groups to the portfolio: 13 new equity-serving groups, 9 new Indigenous groups, 45 new project groups, 23 new operating groups.

Table 2 below shows the history of the City’s investments to implement *Culture|Shift* goals.

Table 2 - Cultural Grants Budget (Operating) with Culture|Shift Investments

	2018	2019	2020	2021	2022	2023
Base*	\$12,074,020	\$12,315,500	\$12,561,810	\$13,297,545	\$13,657,547	\$13,657,547
C S	\$0	\$300,000**	\$475,000	\$275,000	\$300,000**	\$0

*Includes annual increases (2% each year except 0.6% in 2022 and 0% in 2023)

**One-time: for Van. Music Fund from Innovation Fund 2018, for general C|S from operating funds 2022

DISCUSSION

Following significant interest by Council in granting programs and approaches, staff are presenting Council with the planned 2024 Arts and Culture Grants Program Framework (“the Framework” or “Grants Program”) for review and approval. If approved, staff will then implement the Grants Program for 2024. Further details are provided in *Appendices A – F*.

Components of the Grants Program Framework are:

1. Policy Direction
2. Grants Program Streams and Allocations
3. Application Process
4. Assessment and Decision
5. Accountability Measures
6. Impact Assessment
7. Council Direction: Respectful Communication

1. Policy Direction

At the policy level, the Framework provides a portfolio of community granting streams designed to advance *Culture|Shift* and its key directions. The Grants Program aims to celebrate, elevate, and support a range of creative people, and projects, who contribute to Vancouver’s diverse creative stories. The arts and culture investments:

- Celebrate and reflect the diversity of the unique creative people who live here;
- Uphold, recognize, and support Musqueam, Squamish, Tsleil-Waututh and Urban Indigenous artists and cultural workers;
- Elevate underrepresented racialized artists and cultural workers;
- Provide accessible opportunities for diverse public participation in arts activities;

- Build reciprocal and meaningful relations;
- Are informed by and led by community and draw from the depth of local knowledge;
- Centre the artists and people whose stories are being told;
- Compensate artists and creative people involved; and,
- Build leadership, knowledge and resources for artists and cultural leaders in the sector.

In addition, the Framework aligns with other civic strategies including the City's Reconciliation Framework and UNDRIP Strategy, the Equity Framework, and Accessibility Strategy.

2. Grants Program Streams and Allocations (Appendix A)

The Grants Program offers ongoing and one-time funds from the City's annual operating and capital budgets to non-profit arts and culture organizations. Staff have provisionally planned the proposed 2024 Grants Program based on the 2023 grants budget with a 2% inflationary increase added. As the 2024 Operating Budget is decided by Council, staff will make adjustments to allocations as necessary.

Please see *Appendix A* for the planned 2024 Streams and allocations as well as planned modifications for 2024 to improve efficiency and reduce barriers to accessing grants.

3. Application Process (Appendix B)

For 2024, applications for funding to the Cultural Services Grants Program will continue to be solicited primarily by open call. In some instances, calls are by invitation in order to respond to strategic partnerships, enable access for priority groups, respond to critical needs or other unanticipated priorities and opportunities. A larger portion of the budget is through an open call (85%).

All requests for funding are processed through the City's new grants management system (VanApply). Staff engage communities at the start and finish of the cycle, with promotion materials published in different languages to meeting with groups to assist with applications before and after submissions have been made.

Please see *Appendix B* for details on the process including eligibility and assessment criteria.

4. Assessment and Decision (Appendix B)

Assessment Criteria

Application questions and assessment criteria are developed to advance policy objectives and program purposes. For example:

Policy Direction: Cultural Equity and Accessibility

Policy Action: Adapt programs to foster equitable and accessible approaches

Question: How do you provide safe accessible spaces for public participation?

Criteria: Level of commitment to develop or engage audiences and participants that reflect the diversity of Vancouver and resourced accessibility policies and/or plans are in place

Further information on 2024 Framework adjudication criteria is included in *Appendix B*.

Assessment Process

Staff plan to continue to use the nationally-accepted arts funding model of *Peer Assessment* to guide recommendations Peer Assessment as the primary adjudication mechanism for granting in 2024. In this model, local artists and cultural leaders self-nominate and contribute artistic and administrative expertise, and disciplinary skills and lived experience to the process. Their participation augments staff expertise and their knowledge of the sector as a whole. Please see Appendix B for further detail on Peer Assessment as an adjudication model.

Should Council wish to be more involved in the adjudication process in 2024, Council could decide to (a) assign Council liaisons to adjudication committees, (b) ask to witness adjudication committee deliberations, or (c) establish a Council adjudication committee in place of the Peer Assessment model. Staff would not recommend option (c) as discussed in Appendix B.

Decision

Subject to other direction from Council, staff will plan to bring recommendations to Council four times throughout 2024 for approval:

- January with advance payments on operating grants and the first intake for projects (\$4.3M/200 grants);
- April with the balance of operating grants (\$4.7M/150 grants);
- May with cultural spaces, theatre rental, second intake of projects (\$4.8M/165 grants); and,
- November with Cultural Equity and Cultural Indigenous grants (\$1M/45 grants).

There may be potential to improve the efficiency of the granting process through the approval of delegated authorities, similar to procurement delegated authorities. For example, rather than going to Council each time a small grant needs approval, Council could potentially approve the grants budget once and give staff authority to allocate grants according to the specific criteria and conditions within the approved program Framework. This enables the City to respond quickly to community needs by offering shorter timelines for funds into the community. It also places the communications process in the hands of the authority Department, re-directing complaints and feedback from Council to grants staff. If Council is interested to explore this option in further detail, staff would work with the City's law department to determine whether this type of program would be lawful under the Vancouver Charter and would report back with a comprehensive analysis of the implications for Council's consideration.

5. Accountability Measures (Appendix C)

Several measures are applied to ensure tax payer dollars are used properly and for the benefit of the community. These include measures such as staff and external peer application reviews, annual meetings and attending funded events, final reports, grant agreements,

healthy/respectful work place plans, independently-prepared financial statements, equity and accessibility plans, verification of good standing with governing incorporations (CRA, BC Registry of Societies), and other such documentation and review.

Additionally, an internal grants audit was conducted in 2022 with guidance from KPMG which satisfied that effective internal controls are in place to ensure grants are managed through an accountable and objective process. In 2024, the City's Office of the Auditor General will conduct another community grants audit which will examine the process supporting the approval and monitoring of grants.

Details on Accountability Measures in the 2024 Framework to ensure appropriate use of public funds and reporting related to granted funds are provided in *Appendix C*.

6. Impact Assessment (Appendix D)

Metrics are in place to measure the impact of investments through cultural grants. For example, pre-pandemic, grants to operating groups generated over 27,000 activities to audiences of over 7.5M, engaging 13,000 artists and employing over 1,200 full time staff. In addition, combined fees and salaries to artistic employees was in excess of \$47M. For every dollar the City invests in arts and culture groups, \$13.39 is raised through other revenue sources.

More details on the 2024 Framework can be found in *Appendix D*.

7. Council Direction: Respectful Communication (Appendix E)

At the Council meeting on March 30, 2023 during deliberation of the staff report 2023 *Community Services and Other Social Grants* (RTS 15567) Council directed the following:

THAT the General Manager of Arts, Culture and Community Services be directed to report back with proposed requirements for all City grant programs that require grant recipients to communicate to, about, and with City officials in a respectful manner that is in keeping with the City's respectful workplace and related policies, and requirements.

In response to this direction staff propose to implement a basic eligibility criterion (in addition to those described in Appendix B) and grant agreement term (in addition to those described in Appendix C) that are consistent with conduct and communication requirements implemented for other City services, primarily related to discriminatory, harassing, intimidating, or threatening communications and conduct. It is expected that breaches of the contemplated criteria and agreement term in the context of non-profit granting would be very rare given the professional nature of non-profit organizations; however the implementation of such conditions is consistent with administration of other City services and assists to bring granting programs into alignment.

For a fuller discussion on the proposed approach to this direction, please see *Appendix E*.

Future Considerations (Appendix F)

Create and Implement a Destination Festivals and Special Events Fund and Program

To address community interest and need for growing support for special events and

festivals, and the City's interest in revitalizing and activating neighbourhoods (Granville Street and Chinatown to name a few), there is an opportunity to lever support through tourism, business and community partners to create and implement a new fund and program.

A strategic partnership of this nature could lever resources from the community and internally and provide a coordinated approach and strengthen resources (funds, marketing, networking, capacity building) for this growing and innovative sector. The fund and program has the potential to attract and grow a portfolio of destination festivals and special events that could deliver significant economic and social benefits to the community. It could further amplify unique local cultural experiences to a world audience while bringing unique global cultural experiences to the local community. Staff plan to further research the parametres of the program, the partners, and an internal source of funding (currently there is no source of funding earmarked for such a program).

Consideration - Conduct a Review of Municipal Models for Cultural Grants Delivery

Research into alternate municipal cultural grants delivery models was conducted to inform the development of the current culture plan, *Culture|Shift*. Common models include arm's length arts councils, City branch departments, separate authorities, or a combination of these. A report authored by Nordicity with details of the research is appended to this report. Council could direct staff to conduct another scan if more details into cultural service delivery models are needed.

Please see *Appendix F* for further discussion on the above future considerations.

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

LEGAL IMPLICATIONS

There are no legal implications associated with this report's recommendations.

APPENDIX A**Program Streams and Allocations***Table 1 – Cultural Grants Program Overview*

Type	Description and Streams	Budget	Grant Ranges
Operating	Ongoing funds for operations, programs and services: Institutions, Annual, Multiyear, Equity, Indigenous	58% \$9,242,705	\$15K - \$200K and \$100K - \$2.1M (Institutions)
Projects	One-time funds for creative projects, capacity building, partnerships, affordable spaces	10% \$1,568,256	Up to \$20K Up to \$50K (spaces)
Theatre Rental	One-time funds to off-set costs to perform at the civic theatres (Orpheum/Annex, Playhouse, Queen Elizabeth)	18% \$2,846,586	\$1500 - \$30K \$30K - \$2M (seasonal users)
Cultural Spaces	One-time funds for planning, small/major capital projects, critical assistance, facility purchases (Capital budget)	14% \$1,500,000	\$25K - \$250K

**All programs prioritize groups underrepresented in the overall portfolio*

Table 2 - Cultural Grants Budget (operating and capital)

Program Grants Stream	2024 Budget
OPERATING (operating)	
Institution	\$3,880,080
Annual	\$3,095,925
Multiyear	\$1,670,700
Indigenous	\$280,000
Equity & Accessibility	\$316,000
PROJECTS (operating)	
Projects (CASC)	\$1,000,000
Cultural Learning & Sharing	\$200,420
Individual Artists Fund	\$60,000
Affordable Spaces	\$307,836

THEATRE RENTAL (in-kind op.)	\$2,846,586
TOTAL Operating (base)	\$13,657,547
<i>2% Inflationary increase*</i>	\$273,151
TOTAL Operating (with 2%)	\$13,930,698
CULTURAL SPACES (capital)	
Infrastructure, Small Grants	\$1,500,000
TOTAL Capital	\$1,500,000
TOTAL ALL GRANTS	\$15,430,698

**Pending Council approval of the 2024 Operating budget and allocated to support changes underway and according to community need.*

Modifications Planned for 2024

In addition to the allocations above, staff plan to implement the following modifications:

A - Lowering Barriers to Access and Creating Efficiencies

Change	Outcome
Increase groups in multiyear	Fifty-five stable yet growing groups that are advancing City and community cultural policy priorities well are eligible for multiyear. An increase in groups to the program will provide a streamlined process, reduced wait time for funds into community, and offer predictable levels of funding for the continuation of quality programs and services for the community.
Pilot a multiyear project stream	Several groups provide consistent cultural projects to the community but may not operate year round or where culture is not their primary purpose. This new stream will offer an efficient process, reduced wait time, and offer predictable levels of funding for the continuation of quality projects for the community. It also provides a new option for ongoing support for many groups who do not qualify for Operating grants.

B - Addressing Growth in Demand and Equitable Allocation

Change	Outcome
Lower maximum grant amounts for projects	Due to increase in applications and outreach efforts to engage priority groups, demand for project grants has grown. It is rare that grants of \$20,000 are

	recommended and in 2023 the average grant was \$6,800, the most common grant was \$5,000, there were 9 grants over \$10,000 and 3 grants over \$15,000. Lowering the high end of the grant range will increase success rates and address the demand for finite funds.
Review of grant agreements	There is a generic grant agreement in place for all program streams with some distinctions designed for the grant program objectives. A review of the agreements will ensure the type and level of support as well as the terms and deliverables are in alignment with the objectives of the grant program, and the scope and impact of the programs and services delivered by the grantee in that program.

C - Increase Economic Conditions for Artists and Cultural Workers

Change	Outcome
Explore options to grant to individual artists	The Vancouver Charter allows for grants to legal charitable entities and those contributing to the culture and beautification of the city. Grants to artists are currently delivered through third party partnership agreements which can limit who the City can grant to. Vancouver is one of the few municipalities in Canada that do not grant to individual artists. A review of current practices and alternative options (awards, commissions, grants to individuals doing business like an NPO) could find more effective ways to increase the economic conditions of artists and reduce barriers to accessing support from the City.

APPENDIX B

Application Process

Lifecycle of an Application

All requests for funding are processed through the City's grants management system (VanApply). Staff engage communities at the start and finish of the cycle, with promotion materials published in different languages to meeting with groups to assist with applications before and after submissions have been made. Below is an overview of the application lifecycle.

Application	Assessment	Council Report	Council Approval	Report back
Communications and outreach	Staff and peer assessment	Legal, Financial, GM/CM review	Approval and payments	Final report and follow up
6 weeks	4 weeks	4 weeks	3 weeks	Within 1 year

*Council approves budget late in the year which determines funding allocations at the start of the year
Grant payments issued approximately 4 months after application deadlines (staggered over the year)*

Eligibility Criteria

Groups must meet the following basic criteria in order to be eligible to apply:

- Be a non-profit society or a community service co-op legally registered and in good standing with BC Registries Services, a First Nations Band Council on whose unceded traditional homelands Vancouver sits, or a registered charity with the Canadian Revenue Agency (CRA).
- Be physically located, or have an active presence and deliver programs and services within Vancouver.
- Have an arts and culture mandate or a project to deliver arts and cultural programs.
- Contribute to the visibility of the cultural diversity of the city through purpose, programs and people.
- Have an active Board of Directors and a governance model supportive of the mission with members representative of the people and communities being served and that meet the minimum articles of applicable governing acts (e.g. BC Societies Act).
- Provide a healthy/respectful workplace for staff and volunteers through policies and practices meeting minimum industry standards (e.g. WorkSafe BC, BC Human Rights Code).
- Provide equitable access to a diverse public in practice and policy with accessibility plans in place to ensure physical, cognitive, financial, linguistic, cultural, social, and geographic access to participation for audiences and key contributors.
- Compensate artists and cultural workers at minimum standard industry rates.

Assessment Criteria

Criteria is developed to measure impact against policy goals and program objectives. Questions and related criteria are applied for the entire organization and the programs (Operating streams), or for the project (Project streams) and include the following:

- **Artistic Purpose** (clearly defined and responds to current needs in community, clear commitments to equity in the mission, vision, and values).
- **Artistic Contributors and describe the Programs** (artists have appropriate experience, knowledge, and permission and are provided meaningful opportunities to develop their practice, respectful practices are in place when working with Indigenous artists, the work advances a particular practice, there is access for diverse community participation).
- **Participation, Access and Impact** (audiences and participants reflect the diversity of the city, accessibility plans and practices are in place, there is demand for the programs).
- **Leadership and Administration** (leaders bring appropriate experience and knowledge to advance the mission and work, healthy work place practices are in place, appropriate human resources are in place, equity policies and plans are being integrated into practice, the board is advancing the mission and work).
- **Financial Management** (healthy position with diversified revenues, realistic and balanced budget projections, demonstrated need for public sector assistance).

Characteristics of groups that met the criteria to a high degree:

- They are creating high quality work demonstrated through consistent demand, positive feedback from artists and people who participate in the programs/services
- They are providing secure employment for artists and workers especially those who may experience barriers, and are able to ensure safe working conditions
- They are providing access to a diverse public through efforts to address physical, cognitive, cultural, and financial barriers
- They have diverse leadership that brings skills and expertise to the organization, while also being recognized as leaders in supporting the interests of the broader arts sector
- There is good financial management in place and a demonstrated need for funding

Characteristics of groups that met the criteria to a low degree:

- The quality of the work is not clear through a broad mission statement, work is not addressing gaps in community, a decline in demand, little to no feedback from program participants, limited information provided on programs and services
- There are few opportunities for diverse artist involvement, little to no fees paid, artists are not centred or core to the programs
- There is difficulty in attracting and retaining experienced staff, high turn-over on the board, limited evidence of a healthy work place practices, lack of diversity in staff
- Poor financial reporting, deficit trends, patterns of unrealistic budget projections
- There is not as much financial need demonstrated through access to high unrestricted reserves, greater capacity to secure other revenues, the grant level is not in alignment with activity and impact

Assessment Process

For 2024, staff plan to continue to use the nationally-accepted arts funding model of Peer Assessment is used to guide recommendations Peer Assessment as the primary adjudication mechanism for granting. In this model, local artists and cultural leaders self-nominate and

contribute artistic and administrative expertise, and disciplinary skills and lived experience to the process. Their participation augments staff expertise and their knowledge of the sector as a whole.

Please see the following website for further information: Peer Assessment for Arts and Cultural Grants Information: <https://vancouver.ca/people-programs/grant-application-and-assessment-process.aspx>

Assessment committee members read applications and score the responses according to the specific related program criteria. This system is used to determine who gets a grant, and the level of grant. This allows for a shift in finite resources to ensure that the City's funds are directed to organizations assessed to have the greatest impact in the community. The demand will always exceed resources, therefore, not all groups will receive a grant to their request.

Consideration – Alternate Options for Assessment

Should Council wish to be more involved in the assessment process in 2024, Council could consider some alternative options as detailed below which range from witnessing the process, to being a liaison to the committee, to actually participating in the assessment process (which is not a practice municipalities currently engage in and one that staff would not recommend).

Consideration	Description	Notes
Council Witnessing	Council members can attend an assessment meeting at any time to hear discussions and observe how the process works.	Would provide first hand knowledge of the process and put Council directly in contact with community peer assessors and staff.
Council Liaison	Council can appoint 1-2 members from Council to join an adjudication committee, working alongside staff and/or community juries.	Positional influence of Council members in this process may impact discussions.
Council Selection Committee	Council could create a Committee of Council to make decisions. Staff would provide administrative support and advice to Council during process.	Review of applications is a significant time commitment. May impact sense of political impartiality of grant assessment process. Under-utilizes professional staff.

Decision

For 2024, staff plan to bring grant recommendations to Council in four reports throughout the year for consideration and decision. The process can take up to two months to draft the report and enter and receive departmental concurrences. Applicants and recipients can voice their comments or concerns to Council in public at these meetings. Grant recommendations require two-thirds affirmative votes of all Council members under the Vancouver Charter.

Efficiency consideration: Council could consider directing staff to report back on the potential for expanding delegated authorities within the context of granting, similar to procurement delegated authorities and current programs where delegated authority has been approved.

Currently there are three grant programs that City has delegated authority to staff to deliver: Cultural Learning and Sharing (for leadership and organizational development; grants up to \$20,000 with a budget of \$200,000) and Critical Assistance Capital Grants (for urgent building life-safety upgrades; up to \$25,000 with a budget up to \$200,000), VCT Activations Grants (for timely opportunities to animate ancillary civic theatre spaces; up to \$10,000 with a budget of \$200,000). Staff was delegated authority for these programs in order to lower barriers to access, and expedite funds into the community.

The City of Toronto Community Grants Policy is an example where Council delegates authority to a Division Head where they can allocate funds approved by City Council for a Grant Program provided that all requirements of the Toronto Grants Policy have been met and the Grant complies with any other terms and conditions required by City Council. Further, delegated authority is understood to include authority to renew existing Grant agreements and apply increases to the Grant such as cost of living, without going back to City Council, provided that any additional funding is within the Division's approved budget. The City of Toronto Community Grants Policy clearly outlines the alignment with the city's priorities, purpose of the policy, scope, definitions, eligibility, process, agreements, partisan political activity, and reporting. It also clearly outlines a formal Complaints Policy and process which directs any issue with grants to the Division Head – directing issues away from Mayor and Council into the authority of staff. It further provides language for the ability to grant to individuals.

<https://www.toronto.ca/legdocs/mmis/2019/ec/bgrd/backgroundfile-134597.pdf>

Consideration	Description	Notes
Council Delegate Authority to staff	Delegate authority to the General Manager to allocate the Project Grants Stream according to an explicit policy and process.	<p>Expedites response time in addressing community needs and opportunities.</p> <p>Redirects complaints and comments from Council to staff.</p> <p>Creates administrative efficiencies for applicants and staff in streamlining the approval process.</p> <p>Additional notes below*</p>

There has been an increase in demand and need in the sector for support of artist and community driven events. A record number of grant applications were received in the last intake (110). These projects are often produced by artists and smaller groups that have lower capacity and operate on a shorter timeline. Staff are proposing that rather than Council approving 100+ grants, Council approves the budget allocation (\$1M) once and gives staff approval to deliver

the grants according to explicit policy, criteria and process established for the program. This creates a more flexible response time (reducing wait time and aligning better with planning schedules), and creates efficiencies in the communications process by formalizing a process for feedback, complaints and communications directly to staff rather than to Council at a public meeting.

Delegated authority could be a quicker option to address Council and community needs in terms of lowering barriers to doing business with the City and increasing transparency and creating efficiencies for grants administration.

APPENDIX C

Accountability Measures

Several measures are used to ensure tax payer dollars are expended properly and for the benefit of the community. A number of steps are in place as follows:

- Staff complete a thorough review applications to assess the programs, leadership, operations and financial management, and have year round touchpoints with the organizations (i.e., annual meetings, attendance at events).
- Final reports are required and reviewed by staff. These must be submitted and the project must be completed as proposed until subsequent applications can be made.
- External committee members review applications as well. They bring on the ground expertise and knowledge to the staff's historical knowledge of the group and sector. They rank applications against the specific program criteria and inform the recommendations.
- Grant Agreements, endorsed by City legal staff, form a binding contract between the City and the legal entity for the use of grant funds. This includes clauses such as allowing the City to review books of accounts upon request, and conditions for returning funds should the project not be completed or not fully executed.
- Healthy/Respectful Workplace Policy must be in place. This is as an eligibility and evaluation criteria, and a specific clause in the Grant Agreement.
- Independently-prepared and Board-signed financial statements are required at varying levels: Operating - Audited financial statements or a Review Engagement (depending on size of organization and grant level); Projects - a budget or Notice to Reader.
- Accessibility and Equity plans are required for Operating grantees to ensure they are providing inclusive and accessible opportunities for artists, staff, and the general public. For Project grantees, they must address these areas in their proposals.
- Incorporation documents and proof of good standing are required, and groups are held accountable by the applicable governing body's reporting standards.

In addition, there is a Policy for Reduction in Grants and Termination Grants which outlines conditions and percentage levels for reduced grants including conditions for 'concern' status and the termination of grants (poor financial health/mgmt., inability to carry out operations, breach of Grant Agreement, lack of healthy/respectful work place environment, patterns of decline, etc.). Conditions can also be placed on Grants as a measure to receive additional information to meet any outstanding questions or concerns about the project, operations, or financial health.

APPENDIX D

Impact Assessment

Current Impacts

Grantees have significant impacts in the city. Before the pandemic, grants to operating groups helped generate over 27,000 activities to audiences of over 7.5M, engaging 13,000 artists and employing over 1,200 full time staff. In addition, combined fees and salaries to artistic employees was in excess of \$47M.

Key Impacts for Cultural Operating Groups - 2019 - 2021

Key Metric	2019	2020*	2021*
Total Number of Public Activities	27,540	20,592	19,493
Total Attendance/ Participants	7,507,255	3,872,885	2,072,310
Total Number of Artists	13,001	9,899	9,267
Total Full-Time Equivalent Staff (artistic and admin)	1,237	1,137	845
Total Number of Volunteers	16,268	10,084	7,249
Estimated number of hours worked by all volunteers	450,704	236,182	213,915
Artists and professional fees	\$21,619,506	\$14,911,113	\$10,376,121
Artistic salaries - permanent and temporary employees	\$25,913,471	\$24,650,990	\$20,806,587

Source – Canadian Arts Database (CADAC)

*Decreases due to COVID-19 Restrictions and Closures

Additional Revenues Generated for Operating Grantees 2019 - 2021

Revenue	2019	%	2020	%	2021	%
Earned Revenue	82,993,078	45.9	52,659,991	34.2	16,748,340	12.4
Net Investment	3,150,993	1.7	2,501,493	1.6	2,152,900	1.6
Private Sector	39,614,771	21.9	31,242,956	20.3	28,156,472	20.9
Federal	23,582,393	13.0	37,073,609	24.1	49,509,046	36.8
Provincial/Territorial	17,377,766	9.6	17,582,887	11.4	24,418,330	18.1
Municipal/Regional	12,578,891	6.9	11,563,118	7.5	11,777,313	8.8
Other Public Sector	1,400,878	0.8	684,869	0.4	1,496,876	1.1
Other	294,941	0.2	463,704	0.3	332,805	0.2
Total Revenue	180,993,711	100	153,772,627	100	134,592,082	100
Other \$ for every municipal \$1 invested	\$13.39		\$12.30		\$10.43	

Source – Canadian Arts Database (CADAC)

Each year grantees report out on last actual financial data as part of the application, in the national arts database - CADAC. Every dollar granted by the City levers significant other resources. In pre-pandemic times (2019) close to 70% was generated through admissions, workshops, sales, donations, sponsorships, fundraising, and other sources, while public sector support was just over 30%. With the restrictions and closures, earned revenue saw the highest decrease from 45.9% of total revenues in 2019 to just 12.4% reported in 2021. In order to offset the loss, federal and provincial emergency support carried many organizations through an extremely difficult time. Federal support grew to 36.8% in 2021 from 13% in 2019 (\$25.9M), and provincial support increased from 9.6% to 18.1% (\$7M). Civic support remained relatively stable. As the recovery support ends, core support from all levels of government will be critical as groups rebuild and structure themselves to a new normal.

Economic Impact of Cultural Industries by Comparison

Industry	Economic Impact \$
Agriculture, Fishing, Forestry & Hunting	\$5.8 B
Utilities	\$6.3 B
Culture	\$7.9 B
Accommodation & Food	\$8 B
Mining, Oil & Gas	\$8.2 B

Hills Strategies/Culture|Shift

The overall creative and cultural sector economic impact reveals that cultural economic production outperforms many traditional industries and contribute 2.7% to BC's GDP (gross domestic product) and 4% of total employment. Table 5 offers a comparison of industry impacts.

A 2022 Grants Report was produced and captures further information on all grants for the City: <https://vancouver.ca/people-programs/grants-and-awards.aspx>

Planned Impact Metrics and Data for 2024

For 2024, staff plan to collect further data from recipients, such as:

- Disaggregated equity related data where feasible to demonstrate investment in diverse equity-deserving cultural organizations and practices
- Outcome data to demonstrate impact and outcomes beyond output metrics

APPENDIX E

New Eligibility Criteria and Agreement Conditions: Respectful Communications

As per Council direction, staff have been considering the implementation of new grant eligibility criteria and grant agreement conditions requiring respectful communications toward City officials, both elected and staff (“City Officials”), by grant applicants/recipients (“Grantees”).

As local government, any criteria or agreement restricting Grantee communications with, about, and to City Officials must align with the Canadian Charter of Rights and Freedoms so as not to unreasonably restrict political participation and free speech. Local government officials must be open to critique of their actions and decisions – this is a core tenet of democracy and political life. At the same time, governments of all levels and across the globe have been contending with egregious abuse and harassment of elected officials and public servants – in particular, women –resulting in reluctance to take on elected roles or other public-facing positions. Finding a reasonable and effective balance between both the need to preserve free speech and discourage harassment, discrimination, intimidation and/or threats of violence against City Officials is critical to protecting personal safety, reducing barriers to participating in public life, and supporting robust and meaningful civic dialogue.

Accordingly, in implementing this Council direction, staff are recommending a narrow focus on communications and conduct that constitute harassment, discrimination, intimidation or threats of violence. Such communications are already articulated as prohibited in the usage/participation guidelines across a number of City services, such as community centres, social centres, Council chambers, civic theatres, and participation in other City spaces and services. In some circumstances, they may also constitute breaches of the Criminal Code and the BC Human Rights Code.

Application of this new grant criteria and agreement conditions will be on an “as aware” basis: i.e., if staff become aware of such communication or conduct – e.g., through media or a report – they will investigate. Investigation will include follow-up with the Grantee to understand the context, including the role of the individual(s) engaged in the reported behaviour, and the capacity in which they were acting (i.e. whether they were speaking or acting on behalf of the Grantee or on their own behalf). Staff will then make a recommendation to Council as to whether the Grantee should be denied a grant, or required to repay some or all of a grant already made, as a result of the grant criteria or agreement conditions. If a recommendation is made to deny a grant application or to seek repayment of grant monies, staff will provide reasons and the Grantee will be provided with notice and the opportunity to address Council. It is then up to Council to decide whether to accept staff’s recommendations.

Communication that is simply critical of policy actions or decisions of the City or City officials would not be considered discriminatory, threatening, intimidating, or harassing. Based on historical experience, staff anticipate that communication or conduct by Grantees that breaches this threshold would be very rare. It is further acknowledged that many Grantees advocate in the interests of the work they undertake to support their clients/patrons, and, at times, this commentary may be critical of the decisions and/or actions of City Officials. This critique of public policy, actions, and/or decisions is recognized as important to robust civic dialogue and the democratic process, provided the comments are not in themselves – nor provided in a manner that is – discriminatory, threatening, intimidating, or harassing.

APPENDIX F

Future Considerations

The following areas are for future consideration.

Planned: Create and Implement a Destination Festivals and Special Events Fund and Program

Currently there is no program to support one-time or ongoing destination special events and festivals which could attract and support opportunities in coordinated and well-resourced ways. In the past, ad-hoc infrastructure and one-time funding allocations would be established to support such events. A formalized program with partners contributing relevant skills and expertise, along with an established funding source that could grow overtime would enable the City to grow local and attract international events.

This would address community interest and need for support of such special events and festivals, and advance the City's planning underway in revitalizing and activating neighbourhoods (Granville Street and Chinatown to name a few).

A strategic partnership with tourism, business and community groups could lever resources from the community and internally and provide a coordinated approach and strengthen resources (funds, marketing, networking, capacity building) for this growing and innovative sector. The fund and program has the potential to attract and grow a portfolio of destination festivals and special events that could deliver significant economic and social benefits to the community. It could further amplify unique local cultural experiences to a world audience while bringing unique global cultural experiences to the local community.

At Council's Direction: Assess Alternate Municipal Models for Grant Delivery

Should Council wish to consider broader changes to the City's approach to granting to the Arts and Culture sector, staff would recommend engaging an external consultant to update to the current jurisdictional scan and engage the Vancouver arts and culture sector.

There are a number of municipal models that exist for the delivery of cultural services. Leading up to the development of the City's current cultural policy and plan, research was conducted to understand structures that exist for the delivery of culture within cities. Below are some of the more common models.

Common Models for Municipal Cultural Services Delivery

Model	Description and Budget	Governance	Responsibility
Department (Vancouver, Ottawa)	Designated city department or division to deliver cultural services. Annual department budget is provided and set during the annual budget process.	City Council, City staff, staff and volunteer community committees	Delivers all cultural programs and services with dedicated staff, often supported by outside partners and advisors

Office, Commission or Advisory (Seattle)	City establishes a 'body' to work alongside the department. The body is granted an administration budget as part of the annual budget process	Board of volunteer citizens, experts, councilors appointed by City Council	Board directs staff and City Council, develops policy and planning, decides on grants and programming
Authority (Calgary)	Arm's length NPO or Charity established by the municipality by legislation. A portion of the budget is from the municipality and the NPO raises the balance	Board of volunteer citizens and experts	Entire municipal responsibility for culture is transferred to the Authority
Fund, Agency, Council (Toronto, Montreal)	Arm's length NPO or Charity established by the municipality by legislation. Budget line item set by City Council during the budget process	Board of volunteer citizens, experts, councillors appointed by City Council	Delivers select cultural programs on behalf of the City (i.e., Grants, Special Events)

The models vary and develop out of community needs and civic capacity. The structures are also informed by a City's population and demographics, community needs, the structure of the municipality and civic priorities and budgets, staff expertise, the number artists living in the city, the number and nature of arts organizations and their capacity, and so forth. Currently within Vancouver, there is no designated body that is mandated to deliver cultural grants. There are a few entities that have it within their bylaws and constitution to deliver specific grants on behalf of other funding bodies (i.e., the Province devolves some grants to Creative BC and ArtStarts in Schools). At the city staff level, there are several employees with cultural policy and planning experience and well as a dedicated Grants team that have experience with the development and delivery of granting programs.