

**DATE:** August 8, 2018

**FILE:** 7710-01

**TO:** Chair and Directors  
Electoral Areas Services Committee

**FROM:** Russell Dyson  
Chief Administrative Officer

Supported by Russell Dyson  
Chief Administrative Officer  
**R. Dyson**

**RE: Electoral Areas Arts and Culture Grant Service – Contract Renewal**

**Purpose**

The purpose of this report is to provide information regarding the Electoral Areas Arts and Cultural Grant Service in advance of contract renewal options.

**Recommendation from the Chief Administrative Officer:** That the committee receive this report for information purposes.

**Executive Summary**

The Electoral Areas Arts and Cultural Grant Service was first established in late 2013 to provide five years of secured funding to number of arts and culture facilities. It differs from the grant-in aid program in terms of length of contract commitments and is not intended to compete against grant-in-aid requests.

The Electoral Areas Arts and Culture Grant service key highlights include;

- Funding is provided on established incremental increases to organizations with facilities,
- Contracts are coming up for renewal in 2019,
- Contract renewal with the current terms would equal a \$46,437.50 increase by 2023 to the service.

The typical next steps for contract renewal are for staff to contact the organizations and discuss renewal terms in preparation for the five year budget.

Prepared by:

***D. DeMarzo***

Doug DeMarzo  
Acting General Manager of  
Community Services

**Stakeholder Distribution (Upon Agenda Publication)**

Comox Valley Art Gallery	✓
Comox Valley Art Council	✓
Comox Valley Farmer Market	
Pearl Ellis Fine Art Gallery	
Courtenay District museum and Paleontology Centre	

Sid Williams	
Cumberland Museum and Archives	
Comox Archives and Museum Society	

### Background/Current Situation

On January 28, 2014 the Electoral Areas Arts and Culture Grant Service was established by Bylaw No. 278 after an alternative approval process.

Table 1 is the original funding table proposed in 2013 at the time of service establishment.

Name of recipient	Recommended 2014 funding	Recommended Maximum Funding
Comox Valley Art Gallery	\$ 5,000.00	\$ 9,500.00
Comox Valley Community Arts Council	\$ 2,000.00	\$ 4,000.00
Comox Valley Farmers Market	\$ 4,000.00	\$ 4,000.00
Pearl Ellis Gallery of Fine Arts Society	\$ 1,500.00	\$ 2,150.00
Sid Williams Theatre Society	\$ 10,000.00	\$ 25,000.00
Cumberland Museum and Archives	\$ 3,000.00	\$ 3,000.00
Courtenay and District Museum and Palaeontology Centre	\$ 7,000.00	\$ 17,500.00
Comox Archives and Museum Society	\$ 2,500.00	\$ 5,000.00
<b>Total</b>	<b>\$ 35,000.00</b>	<b>\$ 70,150.00</b>

**TABLE 1 - Proposed recipients and funding levels in arts and culture grant service**

Since 2013 there have been no other facilities added to this function.

### Policy Analysis

The electoral areas arts and culture grant service is established by Bylaw No. 278 being “Electoral Areas Arts and Culture Grant Service Establishing Bylaw No. 278, 2014”, adopted on January 28, 2014, which describes the:

- **Purpose:** to provide funding to societies and nonprofit organizations that own and/or operate arts or culture facilities in the Comox Valley to assist with the protection, preservation, maintenance and promotion of said infrastructure
- **Maximum tax requisition:** the greater of \$100,000 or \$0.025 per \$1,000 applied to the net taxable value of land and improvements for regional hospital district purposes
- **Participants: Part** Area ‘A’ Baynes Sound, Electoral Area ‘B’ (Lazo North) and Electoral Area ‘C’ (Puntledge – Black Creek)
- **Boundaries:** CVRD’s electoral areas A (excluding Denman and Hornby Islands), B and C

At the July 29<sup>th</sup> 2014 board meeting the following recommendation was passed.

“That the board enter into agreements with the Comox Valley Art Gallery, Comox Valley Community Arts Council, Comox Valley Farmers Market, Pearl Ellis Fine Art Society, Sid Williams Theatre Society, Cumberland Museum and Archives, Courtenay and District Museum and Palaeontology Centre and Comox Archives and Museum Society for the purpose of providing arts and culture grants totalling \$35,000 in 2014, increasing to \$70,150 by 2018.

### Options

This report is received for information purposes.

### Financial Factors

Each facility funding increase was established on a continued growth increment between 2014 and 2018 based on the following table.

Organization	Annual growth increment
Comox Valley Art Gallery	\$1,125
Comox Valley Art Council	\$500
Comox Valley Farmer Market	\$0
Pearl Ellis Fine Art Gallery	\$162.50
Courtenay District museum and Paleontology centre	\$2,625
Sid Williams	\$3,750
Cumberland Musuem and Archives	\$500
Comox Archives and Musuem Society	\$625
Total	\$9,287.50

If the funding model were to continue with similar cumulative continued growth increments over the next five year period, this would result in an increase of \$46,437.50 to the conditional grants provided over that period. In the long term these increases may be unsustainable and leaves little opportunity for new grant requests by new organizations or to support one-time major capital upgrades. The current maximum levy for the service is \$123,023 or \$.025 per \$1,000 of assessed value.

The original grant amounts (based on former grant-in-aid requests) do not take into account facility condition, maintenance, lifespan or needs of the organization to promote their facilities. Some organizations may have also been more successful at attracting other donors in recent years so require less assistance. Others may require more assistance. This is why it is suggested staff review each organizations needs and develop a sustainable grant funding model to assist each organization helping to keep a variety arts and culture facilities in the Comox Valley.

For information purposes Appendix A is the current adopted five year plan which does not factor in the past growth increments typically received by each facility.

### Legal Factors

Contract funding agreements are prepared for each organization receiving grants.

### Regional Growth Strategy Implications

Regional Growth strategy policy 3B-9 states “Encourage tourism, including cultural and eco-tourism opportunities, within the Comox Valley.”

### Intergovernmental Factors

The service does not consider any specific partnerships or arrangements with other government entities. Some specific principles of the service include that duties of senior governments are not accepted or provided under the arts and culture grant service.

### Interdepartmental Involvement

Legislative services be involved in contract renewals and finance will review the budget implications.

**Citizen/Public Relations**

It is recommended the grant opportunity be further made available to other cultural and art societies and non-profit organizations with facilities. A communications plan will be prepared.

Attachments: Appendix A – “Adopted Five Year Summary for Electoral Areas Arts and Culture Grant Service (615)”

# CVRD 5 Year Operating Budget by Service

Functions: 615

Objects: Multiple

Account Code	Account Description	2017 Actual	2017 Budget	2018 Budget	2019 Financial	2020 Financial	2021 Financial	2022 Financial
<b>01 - General Revenue Fund</b>								
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>								
<b>Revenues</b>								
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>								
01-1-615-005	Gil Fed Govt	284	0	0	0	0	0	0
01-1-615-019	Reqn Elect/Spec Prov Govt	68,495	68,495	73,211	79,531	79,550	79,569	79,589
01-1-615-150	Surplus Prior Year	6,816	6,816	6,301	0	0	0	0
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>		<b>75,596</b>	<b>75,311</b>	<b>79,512</b>	<b>79,531</b>	<b>79,550</b>	<b>79,569</b>	<b>79,589</b>
<b>Revenues</b>		<b>75,596</b>	<b>75,311</b>	<b>79,512</b>	<b>79,531</b>	<b>79,550</b>	<b>79,569</b>	<b>79,589</b>
<b>Expenses</b>								
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>								
01-2-615-200	Support Services	760	760	733	748	763	778	794
01-2-615-212	Grants Uncond Local Govt	0	5,000	5,000	5,000	5,000	5,000	5,000
01-2-615-214	Grants Cond Local Agencies	62,863	62,863	72,150	72,150	72,150	72,150	72,150
01-2-615-369	Insurance Liability	188	204	129	133	137	141	145
01-2-615-381	Legal Fees	0	500	500	500	500	500	500
01-2-615-387	Other Prof Fees	0	500	500	500	500	500	500
01-2-615-489	Reserve Contr Other	5,484	5,484	500	500	500	500	500
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>		<b>69,294</b>	<b>75,311</b>	<b>79,512</b>	<b>79,531</b>	<b>79,550</b>	<b>79,569</b>	<b>79,589</b>
<b>Expenses</b>		<b>(69,294)</b>	<b>(75,311)</b>	<b>(79,512)</b>	<b>(79,531)</b>	<b>(79,550)</b>	<b>(79,569)</b>	<b>(79,589)</b>
<b>615 - Electoral Areas Arts &amp; Cultural Grant</b>		<b>6,301</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>01 - General Revenue Fund</b>		<b>6,301</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>