

ARTS

and the CAPITAL CITY

Technical Report

Prepared by
The Council for the Arts in Ottawa

COUNCIL FOR THE ARTS IN OTTAWA



CONSEIL DES ARTS D'OTTAWA

MDF
STRATEGIES

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OTTAWA'S ARTS & CULTURE: MILESTONES IN OUR DEVELOPMENT

First Generation: Ottawa Becomes a City in 1855	
1854–1901	Her Majesty's Theatre (Wellington St.)
1865	Ottawa Choral Society
1875–1913	Grand Opera House (Sparks St.)
1879	Ottawa School of Art
1894	Ottawa Symphony Orchestra
1895	Ottawa Winter Carnival
1897–1928	Russell Theatre (Queen & Elgin)
1902–37	Canadian Conservatory of Music
1906	Orpheus Musical Theatre of Ottawa
1913	Ottawa Little Theatre
1914	Imperial Theatre (Bank St)
1918	Ottawa Art Association
1920–71	Capitol Theatre (Queen & Bank)
1932–51	Théâtre Le Caveau d'Ottawa
1932	Mayfair Theatre (Bank St)
1939–89	Crawley Films
Last Generation: Emerging Tier of Professional Artists	
1960–75	Le Hibou Coffee House (Sussex Dr)
1972	Théâtre Action
1973	SAW Gallery
1975	Great Canadian Theatre Company
1975	Le Théâtre du Trillium
1975	Festival Franco-Ontarien
1975	Ottawa International Animation Festival
1976–87	York Street Theatre
1976–86	Ottawa Dance Theatre
1977–2009	Le Groupe de la Place Royale moves to Ottawa
1978	Thirteen Strings Chamber Orchestra
1978	ARC Poetry Magazine
1978–83	Penguin Theatre Company
1979	Gallery 101
1979	Le Théâtre de la Vieille 17
1980	Tree Reading Series
1980–95	Ottawa Ballet
1980	Compagnie Vox Théâtre
1981	Les Éditions l'Interligne
1981	SAW Video Cooperative
1981	Ottawa International Jazz Festival
1982	Council for the Arts in Ottawa
1982–87	Ottawa Arts Festival
1984	Opera Lyra Ottawa
1984–94	St. François Artist Studios (Stirling Ave)
1986	Odyssey Theatre at Strathcona Park
1987	Canada Dance Festival
1988	Arts Court Centre (Daly St)
1988	Ottawa Art Gallery at Arts Court
1990	Marion Dewar Festival Plaza (Ottawa City Hall)
1991	International Film Makers Cooperative of Ottawa
1992	Enriched Bread Artists Collective (Gladstone Ave)
1994	Ottawa International Chamber Music Festival
1994	Cisco Ottawa Bluesfest
1994	Ottawa Folk Festival
1996	Artengine
1996	Ottawa Festival Network
1997	Ottawa Fringe Festival
1998	La Nouvelle Scène (King Edward Ave)
2000: A New City, The Next Generation	

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INTRODUCTION

“Before they had paved streets and electricity, we had an art school.”

Jeff Stellick, Ottawa School of Art

EARLY YEARS

A glimpse into Ottawa’s early years paints an exciting portrait of city life. After incorporation in 1855 and designation as capital of the Dominion in 1857, Ottawa’s local arts and culture flourished with the building of a new nation. Before there was a National Arts Centre, there was Her Majesty’s Theatre (1854), the Grand Opera House (1874), the Russell Theatre (1897) and the Capitol Theatre (1920) all just steps away from Parliament Hill. These venues presented touring artists from around the world including legendary icons such as Anna Pavlova, Oscar Wilde and Sergei Rachmaninoff. They also served as a home for local artists including the Russell Theatre Troup, the Ottawa Symphony Orchestra, the Orpheus Operatic Society and the Ottawa Choral Society to name a few.

The National Press Building currently occupies the site of Her Majesty’s Theatre. The Opera House succumbed to fire in 1913. The Russell Theatre was expropriated in 1928 by the Ottawa Improvement Commission² to make way for the building of Confederation Square. With the opening of the National Arts Centre, the elegant Capitol Theatre was deemed superfluous and demolished in 1970 to make way for an office tower and Cineplex. As venues disappeared one by one, local arts groups were dispersed and forced to make do where possible including school auditoria and/or church halls. These venerable institutions, in addition to the School of Art and the Art Association represent the foundations of Ottawa’s artistic legacy.

This legacy combined with a strong arts curricula offered by local educational institutions and the existing network of community arts services are largely responsible for Ottawa’s above average levels of arts participation, voluntarism and consumption.

Post-war investments largely due to the arrival of the Canada Council of the Arts (1957) and the Ontario Arts Council (1963) gave rise to Ottawa’s professional tier of accomplished dancers, musicians, writers, actors and visual artists. While civic grants programs were in existence since the forties, it wasn’t until the eighties that the City’s regional and municipal governments established dedicated, juried investment programs for arts and festivals as a means to further nurture and sustain this important tier of activity.

TWO SOLITUDES EMERGE

As our nation matured, so did the aesthetic and cultural expectations of its capital city. Various policy and planning exercises changed not only the shape of the city but the *culture* of how it worked. The natural progression of local arts development was altered, at times impeded and even reversed. While

² Predecessor to the National Capital Commission

Ottawa gained many new and important features; there were substantial losses to the local arts community in terms of visibility, accommodation and status that were never recovered. Major federal investments in the latter part of the twentieth century helped to anchor the capital footprint in the very heart of the city. Local venues and institutions gave way to national landmarks, features and attraction. The relationship between federal and local culture grew more distant and challenging.

While it is universally acknowledged that residents of and visitors to the nation's capital greatly benefit from their presence, the high concentration of Crown cultural institutions does impact on Ottawa's arts and culture constituency. Repeated consultations over time have identified a series of unique challenges including:

- Inadequate accommodation of professional local arts and heritage attractions in proximity to national institutions and Ottawa's significant tourist market.
- Increased competition by Crown cultural institutions for local resources including earned revenues, donors, members and volunteers.
- Competing with the branding and promotional efforts of the National Capital Commission in addition to the promotional resources and in-house expertise inherent in each institution.
- Local cultural products and attractions do not derive any benefit from the presence to two local tourism agencies: Ottawa Tourism and the Destination Marketing Organization; In fact, product packaging focuses exclusively on Ottawa's capital culture and a few festivals.
- The ongoing difficulty of local cultural institutions retaining skilled workers due to competitive salaries and benefits offered by federal employers. In fact the local arts sector has provided excellent training grounds for federal recruitment.

Crown institutions also operate with a clear advantage over local non-profits in that they enjoy greater financial stability as afforded by annual federal appropriations for basic operations and special appropriations to a range of requirements including infrastructure improvements³. It is also important to acknowledge significant contributions the local citizenry make to the well-being of these attractions: as consumers, facility users, subscribing members, donors, sponsors and volunteers.

The current federal-local environment is best described as two solitudes working in isolation of each other. The federal mandate has taken center stage in conveying a national identity through symbols, monuments, interpretation and celebration. The local mandate struggles to advance a more organic identity as a creative, dynamic urban centre. Modest progress has been made over recent years to bridge the federal-local arts gap through increased awareness, exchanges and joint initiatives. It is hoped that these initial exchanges will evolve into more substantive strategies as evidenced in other cities across Canada and abroad.

³ More recently, the federal government provided an additional \$15m in appropriations to national cultural institutions as a result of unanticipated revenue shortfalls experienced due to economic recession.

PROGRESS AND SETBACKS

Although disputed, there is a pervasive belief that federal and provincial cultural ministries and agencies have historically shown a distinct bias against Ottawa's arts community because of the optics of existing federal largesse. Evidence collected appears to affirm this assertion. However, we have also determined the critical role municipal leadership and investment plays in generating greater support from senior levels of government. Recent increases to the municipal arts/festival grants program substantially leveraged contributions from other public and private sources including provincial and federal levels of government. Conversely, reduce the City's level of investment and there would be a corresponding drop in revenues generated. While these achievements represent substantial progress in sustaining local arts and culture, the City's per capita level of investment remains to date, lower than the national average⁴. In order to secure a greater share of public and alternate sourced funding within a highly competitive environment, civic leaders cannot be complacent; they must consistently champion the arts or continue to lose out to other cities.

There is a universal understanding that the health and wellbeing of local-based arts and cultural assets is a civic responsibility with support from other stakeholders. While signs of progress are evident, thanks to the 20/20 Arts and Heritage Plan (2003) several key opportunities have been lost and setbacks experienced since its adoption.

Lost opportunities and setbacks are evident in areas of greater revenue generation, capacity building and facility development or accommodation. Any advances made have been akin to treading water and not moving forward. In the meantime, we have witnessed an unprecedented growth in arts and culture investment: from our national cultural institutions; in other Canadian cities; and, in other national capitals. It is therefore imperative that a fresh perspective on existing challenges be introduced and new measures explored in order to mobilize on future opportunities as they arise.

TURNING THE PAGE

Towards this end, Council for the Arts in Ottawa undertook a two year study to identify opportunities, barriers unique to this city and to explore potential solutions based on experiences of other cities in Canada, the US and abroad.

The Final Report is comprised of a series of research and consultations summaries outlining results of the project's extensive knowledge building and exchange exercises conducted over the course of this investigation. A separate Summary Report highlights the findings of this investigation and presents recommendations.

The Council gratefully acknowledges this exploration has been made possible by the partnered support of the Ontario Ministry of Culture⁵, the City of Ottawa and the Harold Crabtree Foundation.

⁴ Ottawa 20/20 Arts and Heritage Plan, 5 Year Progress Report, 2010, p 32.

The Progress Report indicates that Ottawa's municipal per capita funding for arts and festivals has increased from \$3.64 in 2005 to \$6.08 in 2008. The national average also increased from \$6.23 in 2005 to \$8.35 in 2008.

⁵ Funded by Ontario's Cultural Strategic Investment Fund

METHODOLOGY

PROJECT OUTCOMES

- The potential for Ottawa establishing community-wide arts investment products and services.
- Options for building a sustainability program in collaboration with programs currently in operation.
- The experiences of other national capitals and their relationship to local artists and arts organizations residing in their cities.
- New content to enhance Ottawa’s municipal cultural policies.
- Opportunities to build relationships with arts organizations in Canadian and international cities.

While the original context for research focused on fulfilling these expectations, consultations with stakeholders in various forums has led us to expand the study’s parameters to more fully explore and assess the full extent of barriers affecting local sustainability and advancement with the idea that one must have a clear diagnosis of the problems (vs. symptoms) before moving forward on solutions.

In response to original and increased expectations, the corresponding research framework attempts to address three basic questions:

What exists?	<ul style="list-style-type: none"> • Provide an updated profile on the City. • Identify, assess existing strengths, opportunities, barriers and challenges.
What <i>should</i> exist?	<ul style="list-style-type: none"> • Provide comparative analysis with other major cities and national capitals. • Explore, identify relevant model practices and partnering opportunities.
How do we achieve?	<ul style="list-style-type: none"> • Establish recommendations for action. • Identify next steps in moving agenda forward.

A project study team and steering committee was struck consisting of the following members:

STUDY TEAM

- Stéphane Lauzon, Project Coordinator
- Peter Honeywell, Project Director
- Research and analysis services of Maria DeFalco, Principal of MDF Strategies
- Michael Carty, Board Member, Council for the Arts in Ottawa

PROJECT ADVISORS

- Rupert Allen, Board Member, Council for the Arts in Ottawa
- Chantal Rodier, Coordinator, Arts Administration Program, University of Ottawa
- Cathy Shepertycki, Coordinator, Cultural Development Initiatives, City of Ottawa

LITERATURE AND DATA REVIEW

The research team collected and reviewed a broad range of documents relevant to established topic areas including policy/research papers; environmental forecasts and trends; and, local profiling data from a variety of sources. A listing of documents and data reviewed are summarized within Chapter 7 of this report.

NEW RESEARCH

A series of investigations were undertaken in order to address the following topic areas:

City Arts & Culture	<ul style="list-style-type: none"> • Report on the status of local arts and culture: identify strengths, barriers and opportunities • Assess City policy and practices to advance arts and culture. • Comparative analysis with other major cities in Canada.
Capital Culture	<ul style="list-style-type: none"> • Examine the Capital cultural footprint in Ottawa. • Assess impact of national institutions on local arts sustainability. • Identify trends in federal-local competitiveness.
Past Performance	<ul style="list-style-type: none"> • Assessing strength and weaknesses in existing arts sustainability efforts and what needs to happen to overcome barriers.
Other Capitals	<ul style="list-style-type: none"> • Explore the local arts experience in other national capitals.
Strategies	<ul style="list-style-type: none"> • Highlight new practices for Ottawa.

EXPERT CONSULTATIONS

As a key component of the study's knowledge building exercise, a series of face-to-face consultations including on-site visits were conducted on a local, national and international basis. Consultations involved a diverse group of stakeholders and expert advisors including arts/cultural practitioners, producers and administrators, government policy- and decision-makers, financial/asset management professionals, community, corporate and NGO leaders.

Stakeholder Consultations

The following summarizes stakeholder consultations conducted during the course of this investigation. Results of these exercises are summarized in Chapter 5 of this report.

Activity	Purpose
<p>Workshop “Setting the Stage” January 26, 2009 35 participants</p>	<p>Engage representational segment of stakeholders in dialogue to help set/direct the project’s agenda.</p> <p>Participants provided useful input into issues affecting sustainability, specific needs and areas requiring action/attention for future policy and strategy development.</p>
<p>Focus Group 1 “Positioning the Future” April 7, 2009 8 representatives</p>	<p>Focused dialogue on sustainability: identification of barriers and possible collaborative strategies.</p>
<p>Online Survey Francophone Client Group Fall 2009 35 respondents</p>	<p>Detailed inquiry of Francophone professional arts and culture workers in order to identify gaps in current level of investment and delivery of support services.</p>
<p>Ottawa Arts Summit with Paul Dewar, MP November 7, 2009 125 participants</p>	<p>Broader forum focused on improving the state of arts and culture in Ottawa and Canada.</p> <p>The summit was designed to engage dialogue among diverse stakeholders in order to gain consensus on local/federal issues and potential strategies to address these issues.</p>
<p>Special Project: A Collaborative Approach to Sustainability in the Arts 2009 & 2010 40 participants</p>	<p>In addition to a research phase, which examined collaborative arts practice, discussion sessions and surveys were utilized to identify priority issues that would benefit from collaboration of individual arts groups.</p> <p>Specific roundtables considered three key issues for action: 1) space 2) human resources 3) building the profile</p>

1.0 KEY FINDINGS

'Ottawa's reputation as an arts and culture scene is non-existent. There is a need for local and national governments to promote and bolster the reputation of the national capital as a place to be for arts and culture. There is no reason why Ottawa cannot develop a reputation as a world-class capital for the arts'.

Paul Dewar, MP, Ottawa Arts Summit, November 2009

Ottawa has the makings of a vibrant cultural and creative capital.

Creativity, Diversity and the Arts

The following summarizes Ottawa's strengths as one of Canada's major urban centres and a G8 capital city:

- A rich and diverse artistic heritage dating back to the City's incorporation in 1855.
- Diverse arts curricula offered by the City's universities and colleges perpetuate a base of emerging artists and creative professionals.
- Creative economy indices illustrate Ottawa's readiness to globally advance within this growing sector.
- Ottawa exceeds national averages in the following areas:
 - resident population of professional artists and cultural workers
 - levels of public participation and voluntarism in the arts
 - general arts consumption – the highest levels in Canada
- A modest, but resilient professional tier of arts and festival organizations has shown great entrepreneurial spirit in the face of federal competition for local revenues; relying more heavily on privately sourced and generated income than combined government contributions.

With respect to the latter, history has shown us, time and again, that when we invest in the local arts/festival sector, it is leveraged ten-fold; which in turn benefits the local economy and generates greater tax revenues for all levels of government. As such, public contributions to local arts and festivals are not an indulgence or discretionary folly, but an investment generating substantial social and economic returns within a community.

These attributes provide ideal foundations for advancing the arts. As evidenced in other capital cities, advancing the local arts in Ottawa will add a much needed dimension of vibrancy and 'hip' to the existing "Canada's Capital" brand.

However, there are several barriers to achieving this vision: Accommodation, Capacity and Leadership Gaps.

KEY ISSUE AREAS

1. Absence of Local Arts Accommodation and Visibility

- Ottawa's long held tradition of non-accommodation has perpetuated to the extent of becoming the anomaly in comparison to other national capitals and major cities across Canada.
- There is an absence of intergovernmental partnerships to advance local arts in Ottawa as compared to other Canadian cities and capitals abroad.
- Tourism promotion investment in local arts products is virtually non-existent.

2. Unique and Complex Challenges in Local Arts Capacity and Development

- The high concentration of national institutions presents substantial challenges for Ottawa's non-profit arts and festival organizations.
- Trends indicate that these challenges will only increase in time if not addressed more comprehensively. Status quo is not an option.

3. Missed Opportunities Highlight Gaps in Local Leadership and Stewardship

- Local response to recent investment initiatives exemplifies a continuum of missed opportunities. Missed opportunities have been found in many areas including facility development, organizational development, long term investment instruments. These shortfalls in capacity and performance speak to the need for more effective leadership and governance of local arts in the City.
- New investment opportunities have been launched and require immediate action.

4. Other national capital cities do a better job of accommodating and advancing local arts and culture.

- Our investigations highlight similar and in some cases, greater concentration of national cultural institutions within other capitals
- Our investigations also highlight a surprising diversity of local-based arts venues and investment within each of the capitals reviewed. In the majority of instances, local governments assume lead responsibility in providing purpose-built venues and work spaces for their professional tier of artists and arts organizations.
- Instances have been found where federal agencies provide special subsidies for local arts institutions within capital cities.

5. **The creation of additional city-wide tiers of investment is warranted. So is the need for a new arm's length governance model to manage both public and private sources of investment.**

COMPLETING THE ARTS INVESTMENT STRATEGY: ALTERNATE INVESTMENT PRACTICES

- United Arts Fund models examined highlight the range and diversity of city-wide campaigns for working capital.
- Two model practices were discovered in Canada namely, the Toronto Arts Foundation and the Creative Trust for Arts and Culture.
- There is a growing trend towards the practice of consolidating municipal/private and partner sponsored investment products under a centralized arm's length local arts authority.

6. **New policy and partnership initiatives have been identified as potential sources of improvement.**

STRATEGIC OPPORTUNITIES FOR CHANGE

Recent policy and investment initiatives provide local arts stakeholders with new opportunities to raise awareness of existing challenges and establish collaborative strategies to advance local arts and culture.

- City of Ottawa's 20/20 Arts and Heritage Plan Renewal Project
- City of Ottawa's Economic Strategy Update
- "Choosing our Future": a partnered planning initiative involving the National Capital Commission and the cities of Ottawa and Gatineau
- Follow-up from Ottawa's Arts Summit of November 2009 hosted by Ottawa Centre MP, Paul Dewar
- Canadian Heritage's Canadian Cultural Investment Fund
- Ontario's Creative Communities Prosperity Program
- Culture Days: launch of a national celebration of the arts in cities across Canada in September 2010
- Recently announced plans for the development of a new regional tourism agency.

The findings, as presented within this report aim to provide a fresh perspective for all stakeholders affected and invite the opportunity to engage in new dialogue for moving forward.

STRATEGIC DIRECTIONS

AREAS FOR DIALOGUE, POLICY AND ACTION

In this report, we have highlighted the strengths, the impact and the real potential of Ottawa’s local arts and culture constituency. We have also examined their steadfast resilience and entrepreneurial spirit in the face of chronic, complex and unique challenges.

Moving forward, in this instance, does not simply speak to sustaining or ‘treading water’ but of setting the stage to advance beyond the status quo; of establishing better support mechanisms to ensure a continuum of development from emerging to professional tiers; and, from local to international markets. Towards this end, the following topic areas have been identified for further exploration and dialogue:

Adjusting the Policy Lens

CITY:

- The delivery of programs and services for Ottawa’s cultural sector does not belong in a municipal recreation envelope. Our investigations into other national capital cities reveal more reverence for the uniqueness and importance of this sector by its placement within the Executive portfolios of Mayors or Deputy Mayors. Toronto’s arts and culture sector is currently served under the City’s economic development envelope. Transferring the City’s cultural envelope to its economic development department would prove a better fit.
- As observed in other Canadian cities, the creation of an arm’s length body for targeted service delivery would also improve core competency for capacity/development initiatives as well as optimize public-private partnerships and investment opportunities.

PROVINCIAL:

- Ottawa holds the status of Ontario’s ‘second city’. It is the second largest, single city in the province as well as the cultural and economic hub of Eastern Ontario. However, this status has not translated into a more proportional level of investment in Ottawa’s local arts and culture scene. In light of Ottawa’s substantive and unique challenges, this discrepancy must be addressed.
- It is also interesting to note provincial cultural investment in other cities, such as Montreal or Calgary; where provincial governments own and operate flagship venues such as the Place des Arts (Montreal) and the South Jubilee Auditorium in Calgary. The Quebec provincial government has recently entered into a P3 arrangement with SNC Lavalin to construct a new 2,100 seat concert hall adjacent to the Place des Arts. The concert hall will be the new home of the Montreal Symphony Orchestra.
- Lastly, given the provincial government’s recent interest and investment into advancing creative and tourism industries in Ontario, there is a need to explore how best to capitalize on these initiatives to advance Ottawa’s local cultural sector.

FEDERAL:

- While progress has been made in the federal-local cultural dialogue, more can be done to improve this important relationship. Crown cultural agencies and institutions must acknowledge the impact of their presence on local enterprises; and the fact that these enterprises rely more heavily on alternate sources of revenues in order to survive.
- It is also time to turn the page on past practices which have perpetuated two cultural solitudes within a shared landscape. Our investigations into federal-local dynamics in other Canadian cities and national capitals reveal a different, more collaborative intergovernmental environment. While federal cultural institutions serve as important flagships, local arts and festival products contribute to a city's vibrancy and artistic "edge". From a tourism branding perspective, this is a winning combination.

Creating a New Forum for Leadership and Stewardship

As indicated above, it is time for the City of Ottawa to seriously consider establishing an arm's length arts authority for the delivery of highly specialized program and services including its municipal funding programs and support initiatives for capacity/development building.

Achieving Standard Levels of Accommodation

Given the City's marked underperformance in accommodating its professional artists and arts organizations with proper, purpose-built facilities within the central core, there is a serious need to review existing policies and practices for infrastructure investment in order to bring Ottawa to a standard experienced in other major cities across Canada and national capitals abroad. The research does not support the current rationale that "opportunities" have simply not presented themselves in order to respond to long established priorities.

Establishing a Broad Spectrum of Support Initiatives for Development

The City's arts investment strategy was an important first step in stabilizing and advancing local arts and festivals. However, stakeholder consultations across the board call for a more comprehensive approach in the delivery of support mechanisms; including more permanent strategies for capacity building, public awareness, recognition and engagement. The research also supports targeted measures to assist the local Francophone arts community as well as a growing constituency of culturally diverse artists and enterprises.

NEXT STEPS

1. Presentations to project sponsors, municipal, provincial and federal policy/decision makers.
2. New forums for continued dialogue with client constituencies and potential partners.
3. Move forward with the formation of a transitional work group including key government and community members.
4. Move forward with the creation of a city-wide arts endowment strategy in light of new federal incentives.

2.0 OTTAWA IN PROFILE

A handful of cities – from London through Kitchener-Waterloo through Toronto and Ottawa together comprise one of the world’s largest economic mega-regions that helps make Ontario one of the most advanced and productive jurisdictions on earth.

Richard Florida, Martin Prosperity Institute

2.1 OPPORTUNITIES TO ADVANCE OTTAWA’S ARTS AND CULTURE SCENE

2.1.1 THE PROMISE OF OTTAWA

OTTAWA AT A GLANCE

G-8 CAPITAL & MAJOR URBAN CENTRE	<ul style="list-style-type: none"> • Canada’s capital and one of the G8 group of capital cities • Fourth largest single city and fourth CMA in Canada • Ontario’s second largest city in Ontario and the largest urban centre outside of the GTA-Golden Horseshoe area • More than 25,000 employers and over 500,000 jobs reported in 2006 • Federal Government represents 18% of total workforce; on par with the city’s advanced technology sector
CREATIVE AGE READINESS <i>Talent, Tolerance & Technology</i>	<ul style="list-style-type: none"> • Ottawa-Gatineau CMA ranks 3rd out of all 374 North American regions on the 2009 Creativity Index; ranking 2nd on Technology and Talent and 1st on Tolerance. Ottawa’s closest competitors on the top-ten scale include San Jose, CA and Austin, TX. • Recognized global technology centre with over 1800 technology companies employing 80,000 people (2007) • Ranks second to Toronto in terms of proportion of creativity-oriented occupations among Ontario’s city regions.
FRANCO-ONTARIAN HERITAGE	<ul style="list-style-type: none"> • Ottawa holds the largest Francophone population within Ontario. • Franco Ontarian Festival celebrates 35th Anniversary in 2010 • Four professional Francophone theatre companies and a professional theatre centre (La Nouvelle Scène) reside in Ottawa • Strong presence of French book publishing, authors, translators and series of readings • Professional range of francophone music, theatre and variety produced by MIFO at the Shenkman Arts Centre
CULTURALLY DIVERSE	<ul style="list-style-type: none"> • Third highest growth rate (14.7%), tied with Toronto; trailing Vancouver (16.5%) and Calgary (15.5%) • Fourth highest concentration of recent immigrants among Canada’s urban centres • Residents born outside of Canada represent 18% of the population or 185,000 • Top five places of origins for new immigrants: Europe, Middle East, Africa, China and Indian Sub-Continent

	<ul style="list-style-type: none"> • Ottawa holds the largest Francophone population within Ontario
<p>OTTAWA ARTS & FESTIVALS IMPACT</p>	<ul style="list-style-type: none"> • \$46m annual, direct impact on local economy • 70% of total revenues are generated from earned and private sources. The remaining 30% is generated from all government sources. • Ottawa residents rank first in cultural spending in metropolitan areas across Canada • Spending on arts (objects/admissions) averaged \$121/person – ranking Ottawa second only to Calgary • Local signature events help brand the city as “Canada’s Festivals Capital” including Tulip, Bluesfest and Chamberfest.
<p>CULTURAL HUMAN CAPITAL</p>	<ul style="list-style-type: none"> • Ottawa’s arts labour force and professional arts organizations are concentrated within the City’s urban core. • Ottawa ranks 2nd in Ontario and 5th nationally in terms of arts labour force residing in large cities in Canada, behind Toronto, Montreal, Vancouver and Calgary. • Neighbourhood ranking: cultural labour force’s largest concentrations above the national average, reside in 5 areas identified by postal code: <ul style="list-style-type: none"> ▪ K1M: Rockcliffe-Rideau and parts of University area ▪ K2A: Ottawa West - Highland Park ▪ K1S: Glebe and Ottawa South ▪ K1N: By Ward Market - Lowertown ▪ K2P: Central Ottawa • Ottawa is resident to three major secondary institutions – all of which offer strong curricula in the arts, design and emerging – established cultural industries.
<p>TOURISM INDUSTRY IMPACT</p>	<ul style="list-style-type: none"> • 7.6m visitors came to Ottawa in 2007 and spent \$1.2B • Visitor impact on the local economy: <ul style="list-style-type: none"> • \$760 m in direct, indirect, induced contributions to GDP • \$467.7 m in labour wages and salaries • 13,459 direct, indirect and induced jobs • \$430.5 m in total taxes, \$30.4m municipal taxes • Recent provincial initiatives aim to consolidate multiple tourism authorities with one regional agency.

Collected evidence, as summarized above illustrates Ottawa’s positioning advantage, with obvious strengths in all areas relevant to advancing its cultural sector including:

- strong creative economy indices;
- growth in cultural diversity;
- above average concentration of arts labour force; and,
- the highest levels of arts consumption in Canada.

There are also encouraging signs of growth in Ottawa’s emerging cultural industries particularly in areas of multimedia and design (film/television, interactive media, etc).

Centre of Emerging Talent

In terms of human capital, our three major post-secondary institutions and multidisciplinary training centres continue to generate a steady stream of emerging professionals in both traditional art forms and cultural industries including design and new media.

Table 1: Existing Arts and Culture Based Curricula and Enrolment in Post-Secondary Institutions

MAJOR EDUCATION INSTITUTIONS			
INSTITUTION	FACULTIES – SCHOOLS	DEPARTMENTS AND PROGRAMS	
University of Ottawa	<ul style="list-style-type: none"> ▪ Arts 	<ul style="list-style-type: none"> ▪ Visual Arts ▪ Music ▪ Theatre ▪ English Literature 	<ul style="list-style-type: none"> ▪ Communication ▪ History ▪ Arts Administration ▪ French Literature
	<i>Est. enrolment: 7,000</i>		
Carleton University	<ul style="list-style-type: none"> ▪ Arts & Social Science ▪ Engineering & Design 	<ul style="list-style-type: none"> ▪ Art History ▪ Music ▪ Journalism ▪ Writing 	<ul style="list-style-type: none"> ▪ Architecture and Urbanism ▪ Industrial Design ▪ Film Studies
	<i>Est. enrolment: 5,700</i>		
Algonquin College of Applied Arts & Technology	<ul style="list-style-type: none"> ▪ Media and Design 	<ul style="list-style-type: none"> ▪ Advertising ▪ Animation ▪ Broadcasting ▪ Game Development ▪ Graphic Design ▪ Interactive Media ▪ Interior Decorating ▪ Journalism ▪ Professional Writing 	<ul style="list-style-type: none"> ▪ Print Media ▪ e-Publishing ▪ Documentary Production ▪ Photography ▪ Professional Illustration ▪ Theatre Arts ▪ Script Writing ▪ Music Industry
	<i>Est. enrolment: 2,000</i>		

Ottawa is also fortunate to accommodate several specialized certification programs run by NGO institutions such as the Ottawa’s School of Art, The School of Dance and the Ottawa School of Speech and Drama. Since Canterbury High School’s transformation into a specialized arts instructional centre, there has been an increase in the number of high schools offering specialized arts certification programs including De La Salle, Woodroffe and more recently, St. Paul’s.

As Table 1 illustrates, the wealth of creative talent emerging from our post-secondary institutions is indeed significant, but there is a requirement to incentivise young talent to stay and produce here rather than move to more competitive creative centres such as Toronto and Montreal where public/private investment in the sector’s support matrix is more substantial.

2.1.2 STRATEGIC OPPORTUNITIES

POLICY INITIATIVES

New policy initiatives provide local arts stakeholders increased opportunities to raise awareness and establish possible collaborative strategies:

- City of Ottawa’s 20/20 Arts and Heritage Plan Renewal Project
- City of Ottawa’s Economic Strategy Update
- “Choosing Our Future”: a partnered planning initiative involving the National Capital Commission, and the cities of Ottawa and Gatineau
- Follow-up from the Ottawa Arts Summit of November, 2009 hosted by Ottawa Centre MP, Paul Dewar
- Recently announced plans for the development of a new regional tourism agency

PARTNERING OPPORTUNITIES

Senior levels of government have also re-introduced key sustainability initiatives giving the local community a second chance at tapping these development and investment opportunities:

- Canadian Heritage’s Canadian Cultural Investment Fund
- Ontario’s Creative Communities Prosperity Program
- Culture Days: the launch of a national celebration of the arts in September 2010

LEGACY BUILDING

Legacy building leading up to Canada’s Centennial in 1967 was instrumental in establishing a multitude of cultural landmarks across Canada such as Edmonton’s Royal Alberta Museum, Winnipeg’s Manitoba Centennial Arts Centre and Québec City’s Le Grand Théâtre du Québec. While legacy projects in other parts of the country advanced regional cultural identities and artistic excellence, Centennial projects in Ottawa largely focused on advancing the federal presence within the capital including the National Arts Centre, the Canadian Science and Technology Museum and Confederation Park.

It is interesting to note that the National Arts Centre (NAC) was initially a community led effort. The National Capital Arts Alliance, a consortium of 55 local cultural groups spearheaded the call for a new performance venue. The city had been without a proper performance venue since the expropriation of the Russell Theatre in 1928 and was making do with the Capitol Theatre; a venue designed for cinema and vaudeville performances. A long awaited performing arts centre was one of many community proposals put forward for the federal government to consider as a Centennial legacy project for the city. The City of Ottawa also gifted the parcel of land along the Rideau Canal in support of this development.

Since its inception, the NAC underwent several changes in its operating mandate and use policies. While the initial intent sought to balance local access with promotion of a national mandate, the degree of access and accommodation originally anticipated never materialized.

In 2017, Canada will be celebrating its 150th anniversary. This new milestone presents the city with an opportunity to usher in a much needed cultural renaissance. Ottawa needs to brand itself in a more dynamic context than the centre of government and all things Canadian. This upcoming milestone provides a timely opportunity to add dimension to the existing brand; as a vibrant city; an emerging world class centre for creative excellence, innovation and prosperity. Ottawa's creative talent, in partnership with local leaders, champions and partners are integral to fulfilling this new vision.

2.2 BARRIERS, CHALLENGES AFFECTING LOCAL ARTS AND CULTURE

'The material culture of Ottawa-Carleton is surprisingly incomplete. The region is endowed with marvellous national institutions. However, when we consider all arts and culture facilities, the Ottawa-Hull area ranks only seventh in Canada, despite being the fourth largest Census Metropolitan Area. Remove the national facilities and the region's cultural infrastructure would be an embarrassment.'

Ekos Study, 1988: Towards A More Complete Culture

PREFACE

1988: AN INCOMPLETE CULTURE

In 1988, Ekos Research Associates presented the first comprehensive arts profile for the former Regional Municipality of Ottawa Carleton (RMOC). The study, entitled "Towards a More Complete Culture" established Ottawa-Carleton's first cultural benchmarks. These assessments helped to inform policy and decision makers on various aspects of the local cultural landscape including: status of local artists; public opinion on the arts; economic impact assessment; and ranking among other cities. The report's findings can be summarized as follows:

- Ottawa-Hull CMA: 4th largest metropolitan area
- Ottawa enjoys the highest income per capita in Canada
- Amateur participation in the arts is above national average
- Public highly favours investment in the arts
- Public dissatisfied with existing level of access and activities offered
- Ottawa-Hull ranks 7th overall in cultural infrastructure including federal institutions
- Exclude federal institutions, local ranking is an embarrassment
- Existing cultural infrastructure is top heavy with an excluded middle – lack of facilities to accommodate local-based professional level.
- Amateur arts/culture infrastructure healthy but region-wide accessibility is a problem
- Professional artist income average is \$22,000/annum
- Artist satisfaction level with existing support is low with 25% considering relocating to another city

EKOS STUDY RECOMMENDATIONS

In response to these findings, Ekos presented several action recommendations:

Increased Investment	<ul style="list-style-type: none"> Local governments increase both quantity and quality of resources devote to arts and culture Senior levels of government should be petitioned to provide more equitable funding to the region Festivals should be declared a legitimate target for arts/cultural funding.
Coordinated Approach	<ul style="list-style-type: none"> Greatly increase levels of coordination and consolidation of planning and delivery of actual services among local administrations.
Policy	<ul style="list-style-type: none"> Creation of a regional cultural policy.
Infrastructure	<ul style="list-style-type: none"> Planning, investment into 3 regional arts and culture centres: <ul style="list-style-type: none"> Central venue dedicated to professional arts Two satellite facilities (east and west) focusing on amateur presentations The need for additional work spaces to support production and display
Governance	<ul style="list-style-type: none"> Creation of a separate regional arts planning council. Possible roles include: strategic planning, coordination and communication, allocation of funds, advocacy, policy development

The Study helped to articulate the barriers local arts and culture faced twenty years ago and spearheaded the establishment of several municipal cultural policies and investment strategies within the Region. Recommendations suggesting inter-municipal coordination of planning and service delivery were not pursued nor were recommendations pertaining to the establishment of a regional arts council. While satellite facilities have now been developed in the east and western regions of the City, a large scale arts centre dedicated to professional arts never materialized in the central core.

2010: SIGNS OF PROGRESS

Fast forward to the year 2000, the RMOC and area municipalities merged to form an amalgamated City of Ottawa. As part of its 20/20 planning initiative, the City established five growth management plans covering various aspects of city planning and city life including an Arts and Heritage Plan. The Arts and Heritage Plan established a vision for future advancement with a series of proposed actions falling under five strategic directions:

1. Broaden public access to the arts.
2. Keep Ottawa's artists here.
3. Build creative capacity.
4. Revitalize public places and natural spaces through the arts.
5. Revitalize the economic potential of the local cultural sector.

The Plan also provided a detailed five-year strategy to address immediate priority areas and included a listing of medium and longer term actions. Immediate strategies for arts and festivals generally fell within two categories: 1) operating investment and 2) facilities and capital investment. Following its adoption in 2003, the Arts and Heritage Plan was to be reviewed and renewed for relevancy every five years. In April, 2010 the City presented its progress report to City Council⁶ summarizing progress made including:

- overall, municipal per-capita contributions for all cultural organizations increased from \$4.08 to \$8.26 from 2003-2008; arts/festivals per-capita contribution grew from \$3.41 to \$6.08
- increased stability for flagship organizations and networks through the arts/festival service organizations program
- increase in rural cultural investment from \$829,000 to \$2.7m
- increase in Francophone cultural investment from \$389,145 to \$915,867
- the opening of Muséoparc Vanier in 2006, Ottawa's first local Francophone museum
- the City contributed towards the development of Great Canadian Theatre Company's new home in the 262 seat Irving Greenberg Theatre, located in City's Hintonburg neighbourhood
- the opening of Shenkman Arts Centre in 2009, a multipurpose arts complex as part of a P3 town centre development in Orleans
- plans are underway to build a new City Archives facility in Nepean, scheduled for completion by December 2010
- plans are also underway to expand the CentrepoinTE Theatre in Nepean, scheduled to open March 2011

Perhaps one of the most significant initiatives undertaken by the City of Ottawa has been the Arts Investment Strategy/Festival Sustainability Plan. This multi-year initiative was established in order to address an identified \$15m income gap experienced by Ottawa's local-based artists, arts and festival organizations.

Based on the first phase of the investment strategy (\$1.6m) Ottawa's arts and festival organizations were able to leverage an additional \$11.4m from the City's contribution. This represents an eleven-fold increase in generated income. According to the City of Ottawa, close to 70% of new income was generated from alternate sources such as earned and privately sourced revenues. Municipal, provincial and federal government sourced funds accounted for the remaining 30%.

In reference to the five year renewal requirement, the City has recently established a twelve member Steering Committee and a Terms of Reference. The primary purpose of the Committee will be to provide guidance, advice and support to the renewal exercise. The process is set to commence May, 2010 and terminate by August 2011.

⁶ City of Ottawa Council Report: Ottawa 20/20 Arts and Heritage Plan 5-Year Progress Report and Renewal Process, April 15, 2010

2.2.1 LOCAL ACCOMMODATION: CORNERSTONE TO ARTS DEVELOPMENT

POST-EKOS: REVIEW OF FEDERAL AND LOCAL INFRASTRUCTURE DEVELOPMENT IN ARTS & CULTURE

1988: RISE OF THE FEDERAL DISTRICT

While the City’s arts/cultural inventory increased in the two decades following the Ekos Study, priority needs within the central core remain largely unaddressed. Comparatively speaking, within the same period of time Ottawa witnessed a period of unprecedented growth in enhancements to the federal capital footprint. Table 2 provides a historical summary of relevant capital improvements since Confederation.

Table 2: Summary of Capital Cultural Development

1856	Geological Survey of Canada Collection initiates Canada’s Museum of Natural History
1857	Ottawa is designated the capital of the Dominion of Canada by Queen Victoria
1867: Confederation of Canada: Nationhood and the beginnings of a Canadian narrative.	
1880	National Archives of Canada
1880	Canadian War Museum
1880	National Gallery of Canada
1899	National Capital Commission
1912	Victoria Memorial Building: Natural History Museum and National Gallery
1920	Canada Agriculture Museum
1938	National War Memorial
1953	National Library of Canada
1958	Canada Day Celebrations on Parliament Hill
1959	Lorne Building: new home for the National Gallery
1960	Canada Aviation Museum
1967: Canada’s Centennial Anniversary: Towards a Capital District	
1967	Canadian Museum of Science and Technology
1967	Confederation Park
1967	Astrolabe Theatre at Nepean Point Park
1969	National Arts Centre (new construction)
1969	National Arts Centre Orchestra
1979	Winterlude Festival
1984	Sound and Light Show on Parliament Hill
1988	National Gallery of Canada (relocation - new construction)
1988	Canada Aviation Museum (relocation – new construction)
1990	Canadian Museum of Civilisation (new museum construction)
1992	National Peacekeeping Monument
1992	Confederation Boulevard – Ceremonial Route (enhancements)
2005	Canadian War Museum (relocation - new construction)
2007	LeBreton Flats Festival Park (new venue construction)
2007	Opera Under the Stars at LeBreton Flats Park (annual event)
2010	Victoria Building Expansion: Canadian Museum of Nature

An increased concentration of cultural landmarks, enhancements and animation has contributed significantly to the demarcation of a distinct federal capital district within the City’s downtown core. These additions complement other formidable national landmarks including:

- Parliamentary Precinct
- Supreme Court of Canada
- East, West Memorial Buildings
- National Press Building
- Connaught Building
- National Defence
- Foreign Affairs and Trade Buildings
- Langevin Block
- National Conference Centre
- Bank of Canada
- Wellington Building
- Royal Canadian Mint
- Cartier Square Armoury
- Embassy Row, Sussex Drive

The federal government, through its official agent, the National Capital Commission, has further enhanced the area through the development of Confederation Boulevard, commemorative commissions, public art installations and interpretive signage. The NCC also allocates substantial resources in the branding of Ottawa-Gatineau as “Canada’s Capital Region”⁷

Ottawa’s cityscape has been significantly altered by these enhancements and all have proven to be welcome additions to city life. However, these large, new institutions also come with greater resource requirements; certainly more than what is accommodated by federally issued appropriations. In return, the increased reliance on local resources and the introduction of several legacy funds (endowments) has greatly impacted on the capacities of local arts and heritage communities.

CITY ARTS INFRASTRUCTURE: 1988 – 2010

‘The city’s main municipal art gallery is still located in a totally inadequate space to show contemporary work (its main mandate) or the 20th century Firestone Collection (its crowning jewel). Attempts over the years to find a new home have been sluggish and uninspired. So, don’t hold your breath awaiting a new location.’

*Paul Gessel, The Ottawa Citizen
September 5, 2008*

Table 3 below illustrates the amount of arts infrastructure investment linked to the construction of City Halls and/or Town Centres in several area municipalities including the RMOC itself. Following the adoption of its first cultural policy, the former City of Ottawa’s prioritized the development of centralized professional work and presentation spaces including plans for a purpose built municipal arts centre at the 2 Daly/60 Waller site.

ArtsCourt’s original plan included a 500 seat proscenium stage theatre and a purpose built municipal art gallery. The original concept expanded with the idea of establishing a cultural district within the

⁷One of the NCC’s core services is to promote the Capital to Canadians. At the time of writing, the NCC had launched a new national branding exercise, at an estimated cost of \$2.5 million.

downtown core. At the time much attention was given to the feasibility of linking the Arts Court precinct with the ByWard Market through the creation of a cultural district encompassing several blocks of Rideau Street including the vacant Comark building (former Ogilvy’s department store).

Community driven initiatives were also supported from facilitating work spaces including new artist studios (St. François and Enriched Bread Artists) and dance studios (Ottawa Ballet) to smaller presentation spaces such as La Nouvelle Scène.

Table 3: Pre-Amalgamation Infrastructure Investment: 1988-2000

Region-wide Development

MUNICIPAL INITIATIVES

Open	City	Facilities	Type	Use	Ward Area
1988	Ottawa	Arts Court - Phase I development <ul style="list-style-type: none"> City owned/community operated 	Re-purposed Space	Multipurpose Professional	Rideau - Vanier
1988	Nepean	Nepean Centrepointe Theatre <ul style="list-style-type: none"> City-owned and operated facility 	Purpose Built Civic Square Development	Performing Arts Centre	College
1989	Cumberland	Orleans Theatre <ul style="list-style-type: none"> City-owned and operated 	Multi-purpose Built Town Hall Development	Theatre	Orleans
1990	Ottawa-Carleton	Festival Plaza & Art Gallery <ul style="list-style-type: none"> City owned/operated venues 	Purpose Built City Hall Development	Outdoor venue Art Gallery	Somerset
1990 -1994	Ottawa	St. François Artist Studios <ul style="list-style-type: none"> Leased/City operated 	Re-purposed Space	Artist Work Spaces	Kitchissippi
1993	Ottawa	Karsh Masson Art Gallery <ul style="list-style-type: none"> City owned and operated (relocated to ByWard Market area) 	Re-dedicated City Hall Expansion	Art Gallery	Rideau-Vanier
1996	Kanata	Ron Maislin Playhouse <ul style="list-style-type: none"> City owned/community operated 	Purpose Built Town Centre Developments	Theatre	South Kanata

COMMUNITY INITIATIVES

1992	Ottawa	Enriched Bread Artists Studio <ul style="list-style-type: none"> Private lease/collective 	Re-purposed Space	Artist Work Spaces	Kitchissippi
1992 -1994	Ottawa	Ottawa Ballet Company Studio <ul style="list-style-type: none"> Leased – Standard Life Centre 	Purpose Built – Integrated	Studio, school and offices	Somerset
1998	Ottawa	La Nouvelle Scène Studio Theatre <ul style="list-style-type: none"> Community owned/operated 	Re-purposed Space	Black Box Theatre	Rideau –Vanier

CENTRAL CORE PRIORITIES REMAIN OUTSTANDING

Table 4: Post-Amalgamation Infrastructure Investment: 2001-2010

CITY INITIATIVES				
Open	Facility	Type	Use	Ward
2009	Shenkman Arts Centre ▪ P3 Development/City operated	Town Centre Development	Visual and Performing Arts Centre	Orleans
2010	Centrepointe Theatre ▪ City owned/operated	Expansion/ Upgrade	Performing Arts Centre	College
COMMUNITY INITIATIVES				
2003	Chricton Cultural Community Centre ▪ Community owned /operated	Re-purposed Space	Dance school/ artist studios, community space	Rideau-Vanier
2007	Irving Greenberg Theatre ▪ Community/private partnership	Purpose Built	Theatre	Kitchissippi
2007	Gladstone Theatre ▪ Privately owned/operated	Maintained	Theatre	Kitchissippi
2008	St. Brigid's Centre for Arts and Humanities ▪ Community-owned/operated	Re-purposed Space	Music hall Community facility	Rideau-Vanier
2009	Mayfair Theatre ▪ Private lease/operated	Maintained	Screening Venue	Capital

20/20 PLAN PROGRESS REPORT: PROJECTS OUTSTANDING

<ul style="list-style-type: none"> • Arts Court Redevelopment Plan (Rideau Vanier) • Ottawa Concert Hall (Somerset) • Ottawa Art Gallery Expansion/Relocation (Area TBD) • La Nouvelle Scène Expansion (Rideau -Vanier) 	<ul style="list-style-type: none"> • New Media Space (Area TBD) • Live-Work Spaces for Artists (Area TBD) • Capital Cultural Funding Program • Capital Reserve Fund
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Post-amalgamation, Table 4 indicates major investments are made in the building and enhancing suburban town centres and reveal a modest response to community driven efforts.

While other municipalities have invested in both central and regional amenities for the arts, Ottawa's focus and investment remains on the periphery at the expense of long standing needs identified within the City's central core: where the majority of artists, cultural workers and organizations reside; where tourists visit; where major festivals are staged and where business enterprises are concentrated.

ARTS INFRASTRUCTURE IN OTHER CITIES: CENTRAL CORE AREA

Table 5: Canadian Cities at a Glance: Inventory of major venues in the central core⁸

MAJOR CAPITAL CITIES: PROVINCIAL – NATIONAL		
City	City / NGO	Crown Agencies
TORONTO City pop. 2.5m	<ul style="list-style-type: none"> • Four Seasons Centre for the Performing Arts • Sony Centre for the Performing Arts • Massey/Roy Thompson Halls • St. Lawrence Centre for the Arts • Royal Conservatory of Music • Queen Elizabeth Theatre • Harbourfront Theatre • Gardiner Museum • Bata Shoe Museum • Museum Contemporary Canadian Art • The Market Gallery • Power Plant Gallery • Design Exchange Museum 	<ul style="list-style-type: none"> • Royal Ontario Museum • Art Gallery of Ontario • Ontario Science Centre • Harbourfront Centre⁹ (Federal for 20 years)
OTTAWA City pop. 900,000	N/A	<ul style="list-style-type: none"> • National Arts Centre • National Gallery of Canada • Canadian Museum of Nature • Canadian War Museum • National Library & Archives
EDMONTON City pop. 730,000	<ul style="list-style-type: none"> • Citadel Theatre • Winspear Centre for Music • Telus World of Science Centre 	<ul style="list-style-type: none"> • Royal Alberta Museum • North Jubilee Auditorium • Art Gallery of Alberta¹⁰ (former Edmonton Art Gallery)
WINNIPEG City pop. 630,000	<ul style="list-style-type: none"> • Burton Cummings Theatre • Pantages Playhouse Theatre • Prairie Theatre Exchange • Winnipeg Art Gallery • Exchange District BIZ 	<ul style="list-style-type: none"> • Manitoba Museum and Planetarium • Manitoba Centennial Concert Centre • Centre Culturel Manitobain • Canadian Museum for Human Rights (Federal) • The Forks-North Portage Partnership (Tri-level)

⁸ Table 4 does not include 1) community arts venues 2) privately owned venues 3) University venues and 4) outdoor venues such as festival plazas or amphitheatres.

⁹ Harbourfront Centre began as a federal Crown Corporation in 1972 and became a non-profit agency in 1991.

¹⁰ Edmonton Art Gallery was renamed in recognition of provincial contributions (\$48m) to undertake a major expansion of the existing facility. One of several Legacy projects to commemorate Alberta's Centennial in 2005.

OTHER MAJOR CITIES

City	City / NGO	Crown Agencies
MONTREAL City pop. 1.6m	<ul style="list-style-type: none"> • Montreal Museum of Fine Arts • Canadian Centre for Architecture • McCord Museum • Pointe -à- Calière Museum • Centaur Theatre • Théâtre du Nouveau Monde • Théâtre St. Denis • Théâtre TELUS • Le Quartier des Spectacles 	<ul style="list-style-type: none"> • National Library & Archives of Québec • Place des Arts • Museum of Contemporary Art • P3 Concert Hall¹¹ • Old Port District (Federal)
CALGARY City pop. 1m	<ul style="list-style-type: none"> • Epcor Centre for the Performing Arts • The Grand • Glenbow Museum • Art Gallery of Calgary • Telus World of Science Centre • Cultural District 	<ul style="list-style-type: none"> • South Jubilee Auditorium¹²
VANCOUVER City pop. 600,000	<ul style="list-style-type: none"> • Queen Elizabeth Theatre • Vancouver Playhouse • The Orpheum • Vogue Theatre • Vancouver Art Gallery • Museum of Vancouver 	<ul style="list-style-type: none"> • Science World British Columbia • Granville Island (Federal)

Large-scale arts venues have typically played an important role as flagships in defining a regional town centre or neighbourhood hub as well as increasing public access to arts activities. Table 5 illustrates that establishing flagships and signature venues within the downtown core are not only desirable but expected as a universal standard in city living and design.

Evidence of this standard can be found in all of Canada’s top cities including those cities which also serve as provincial capitals. In these capitals we find cityscapes where Crown-owned museums, galleries and performing arts centres co-exist in proximity to city based landmarks, flagships and events. In these instances residents and visitors are provided with a full range of distinct, dynamic and inspiring experiences.

CULTURAL DISTRICTS: VISIBILITY, VIBRANCY AND DISTINCTION THROUGH CONCENTRATED PRESENCE

Bona fide arts districts offer distinct cultural experiences within a city’s central core. A high concentration of land use is dedicated to accommodate a diverse mix of large and small scaled

¹¹ The Government of Quebec has signed a P3 agreement with Groupe Ovide (SNC Lavalin) to construct a new Concert Hall to accommodate the Montreal Symphony Orchestra. The new development will be adjacent to the province’s existing Place des Arts complex and is scheduled to be opened by 2011.

¹² The South Jubilee Auditorium is owned and operated by the Province. It is centrally situated but not within Calgary’s downtown core.

presentation and work spaces in addition to other uses including retail, hospitality, recreation, offices and housing. In most cases, there is a separate NGO mandated to plan/develop, promote and manage assets within a specified zone.

There are reportedly over 90 such districts to be found in cities across the US and the trend is on the increase here in Canada including the following highly popular tourist destinations:

- Toronto’s Harbourfront Centre receives an estimated 12 million visitors per year
- Vancouver’s Granville Island estimates 10 million visitors per year
- Winnipeg’s The Forks District estimates 4 million visitors per year

It is interesting to note that the above districts were either federally driven or facilitated through a tri-level arrangement. More recent installments such as Toronto’s Distillery District are privately owned and operated.

ANALYSIS

A LONG AND TROUBLED HISTORY

‘In the 1960s and 1970s, similar to the larger North American trend of suburb migration and the subsequent flow of artists into the cheaper rent areas of abandoned downtowns, Ottawa’s artists moved into the Rideau Street, Elgin Street and Byward Market’s selection of empty factories and heritage buildings. Art schools, theatres, dance studios, galleries, and coffee houses flourished in the newly established arts districts.

But in 1975, the National Capital Commission decided to change its federal real estate practices from cost recovery to profit, and expropriated many of the downtown buildings that artists used. Despite lobbies of protest, the arts districts were dismantled and the artists and their audiences, dispersed.’

Loreto Beninger, The History of the Council for the Arts in Ottawa

▪ Ottawa’s long held tradition of “non-accommodation” for its own professional arts constituency.

While the City’s 20/20 Arts Plan provided some optimism in addressing “legacy initiatives” by the former City of Ottawa including a long awaited performance hall, a purpose built municipal art gallery and Arts Court’s redevelopment, the adopted business partnership or “opportunity” model for infrastructure investment decision making has proven to be flawed and wholly ineffective.

It is particularly discouraging to witness missed opportunities following a period of unprecedented infrastructure investment¹³. For instance, it is interesting to note the types of cultural infrastructure projects that have moved forward by the City as worthy of partnered stimulus dollars¹⁴ over

¹³ Canada’s Economic Action Plan: \$4b Infrastructure Stimulus Fund

¹⁴ City of Ottawa: “Ready-to-Go Infrastructure Projects Funding Request: Updated Priority List”, March 20, 2009. Report to City Council prepared by Deputy City Manager of Infrastructure Services and Community Sustainability (ACS2009-ICS-DCM-0002).

longstanding priority projects as identified by the City's 20/20 Arts Plan and remain outstanding or delegated to under-resourced, non-profit groups to champion. The need for large performance venues dates back to the seventies with the demolition of the Capitol Theatre; a need reaffirmed through the Ekos Study of 1988; and again, through the 20/20 Arts and Heritage Plan.

This continued trend of non-accommodation for Ottawa's professional tier of artists and arts groups has firmly established Ottawa's reputation as the Canadian *anomaly* in comparison to other major cities and national capitals.

At the time of writing, there are indications that the City is committed to initiating a redevelopment plan for Arts Court with completion anticipated by end of 2010. There has also been some discussion of accommodating the Ottawa Art Gallery within the proposed "Lansdowne Live" sports/entertainment district. While a golden opportunity to address long-standing priorities has been missed, there are encouraging signs of progress.

- **There is a marked absence of the types of federal/provincial collaborations for arts based urban revitalization initiatives as observed in other cities.**

The evidence suggests a general rule of limited or non-engagement for Ottawa in contrast to progressive practices discovered in other cities. The absence of these practices is perhaps most evident in the area of collaborative land use development where Crown lands (federal/provincial) are used for local cultural benefit.

The research produced evidence of such practices in several cities across Canada including Toronto, Vancouver, Winnipeg, Québec City, Montreal, Halifax and St. John's¹⁵. Most of the partnered developments can be described as urban revitalization/tourism development initiatives; or more specifically, the creation of distinct cultural districts.

In Ottawa's case, it is interesting to note that both City and the NCC identify within their respective planning documents, an area encompassing the municipally owned Arts Court as a "cultural precinct" or "retail, arts and theatre precinct". However, no meaningful initiatives have been put forward by either government to advance the arts sufficiently to justify this distinction. It is also interesting to note that the Ontario government is also a stakeholder within this precinct as property owners of the newly renovated, \$150m Ottawa Convention Centre.

- **Local investment and generated revenues for tourism promotion benefit national capital features and products.**

This section of the report primarily links the challenges of local visibility and sustainability with inadequate accommodation. However, the lack of prominence on a spatial plane not only speaks to the inherent challenges of creative production and presentation but promotion of same. It is unfortunate to discover revenues generated from destination marketing fees or the City's own subsidy for tourism promotion touches very little of its own cultural products.

¹⁵ Various federal departments are implicated including various Port Authorities, Industry Canada, Canada Mortgage and Housing, Canadian Heritage, Parks Canada and CN Rail.

2.2.2 Capacity Challenges: Competing with National Institutions

'Capacity building for a not-for-profit organization has often been defined as activities or actions that increase and sustain its effectiveness. These can include good governance, solid leadership, a clear mission, vision and values, responsive program development, diversified revenue and strong management support systems.'

Ontario Trillium Foundation

ASSESSING THE IMPACT OF FEDERAL PRESENCE AND COMPETITION ON LOCAL ARTS SUSTAINABILITY

Local arts and cultural stakeholders repeatedly identify the challenge of generating alternate revenues in order to sustain their operation due to the high concentration of high profiled national institutions. The purpose of this investigation is to provide a snap-shot of financial activity in order to assess the level of competitiveness local arts organizations face each year from Crown institutions, activities and events.

OTTAWA'S TOP FIVE¹⁶: LARGEST CROWN CULTURAL INSTITUTIONS AND THEIR AFFILIATES

- Canadian Museum of Civilisation including affiliate: Canadian War Museum
- National Arts Centre
- National Gallery of Canada
- Canadian Museum of Nature
- Canadian Science & Technology Museum including affiliates:
 - Canadian Agricultural Museum
 - Canadian Aviation Museum

The investigation involved the 1) determination of relevant federal institutions and 2) the collection and review of institutional annual reports for FY 2008. Revenue activity profiles were prepared for each of the institutions in question including breakdowns for earned revenues, contributions and annual appropriations. Breakdowns in annual appropriations, to determine base operating contributions, were obtained through Treasury Board Secretariat records.

Additional, multiyear data was collected on the National Arts Centre, Ottawa's largest performing arts venue, due to a higher than average reliance on alternative funding and income generation. Local arts and festival revenue breakdowns were sourced from the City of Ottawa in relation to progress reports on the City's Arts Investment Strategy.

RENOVATIONS TO THE MUSEUM OF NATURE

It is important to note that figures collected for the Museum of Nature are reduced due to operating constraints while under construction. It is anticipated that operating revenues will substantially increase once the Museum is fully operational in 2010.

¹⁶ In reference to Toronto's "Big Six": The Royal Ontario Museum, The Art Gallery of Ontario, the Canadian Opera Company, National Ballet School of Canada, the Royal Conservatory of Music and the Gardiner Museum of Ceramic Art.

While fundraising for operational demands decreased, the Museum of Nature launched a special \$10m Partnership Campaign to underwrite the cost of new exhibits. The Campaign targeted 50% or \$5m of be raised from local sources. At time of writing, the Museum had already achieved 80% of its fundraising goal.

NATIONAL CAPITAL COMMISSION: ANIMATING THE CAPITAL PROGRAM (ACP)

Animating the Capital Program represents the public activity component of the National Capital Commission's mandate. The Program's core activities include the production of annual flagship events such as Winterlude, Canada Day and the Sound and Light Show on Parliament Hill. Recent additions to programming focus on animating LeBreton Flats Festival Park including: "Opera under the Stars" and "Orchestras in the Park" in partnership with the National Arts Centre.

Other activities include public art/commemorative commissions and one-time special commemorative events such as the 150th Anniversary of Canada's Capital in 2007.

Operating estimates for FY2008 report an operating budget of \$22m, representing 17% of NCC's total operating budget. Within the same year, the ACP reported the generation of \$2.5m in alternate income and in-kind contributions largely from corporate sponsors. Volunteer recruitment estimates report a total of 1,553 volunteers for a total of 18,309 hours.

The following pages summarize revenue activity profiles for each of the national institutions reviewed.

PROFILE SUMMARIES OF OTTAWA'S TOP 5 NATIONAL INSTITUTIONS AND NCC PROGRAM COMPONENT

A. CANADIAN MUSEUM OF CIVILISATION¹⁷

In millions of \$	FY 2008
Annual Appropriation	\$72.5m
Earned Revenues	\$5m
Fundraising (Foundations, etc)	\$1.8m
Interest Income	\$1.7m
Commercial Revenues Rentals, parking, retail, IMAX	\$8m
Total Revenues Generated	\$16.5m
Total Op. Revenues	\$89m

Annual Report Highlights

- Income Sources:
 - Generated Revenues: 18.5%
 - Appropriations: 81.5%
- 1.26 m visitors to CMC and 500,000 to War Museum
- Hosts two fundraising galas per year: Costume Ball (\$) and Valentine's Day Ball (\$52,000)
- National Collection Fund established in 2006 with goal of raising \$5m by 2011
- Annual Giving Campaign generated \$86,000
- Membership program generates \$300k in revenues and engages 4,300 households
- Boutique sales generated \$2.2m in revenues
- Facility rentals(both sites) generated over \$1.1m
- 485 volunteers = 37,000 volunteer hours logged
- IMAX alone attracted over 286,000 visitors generating \$1.5m in revenues
- Resident cities of Trustees not indicated

B. NATIONAL ARTS CENTRE

In millions of \$	FY 2008
Annual Appropriation	\$35.5m
Earned Revenues; program	\$10.2m
Commercial Revenues Rentals, food services, parking	\$14.5m
NAC Foundation (\$8.2m)	Portion Allocated: \$6.7m
Interest income	\$1.9m
Facility Fees	\$1.1m
Total Revenues Generated	\$34.4m
Total Op. Revenues	\$69.9m

Annual Report Highlights

- Income Sources:
 - Generated Revenues: 49%
 - Appropriations: 51%
- NAC Foundation raised \$8.2m in 2007-08: 57% or \$4.7m of funds raised were sourced locally
- \$2.5m comes from special event fundraising including three annual galas per year: i.e., Black & White Soiree¹⁸, Fall Gala, Governor Generals Performing Arts Awards Gala
- Total paid attendance FY2008: 554,534 (+15% from FY'07)
- Strategic goal: increase earned revenues
- 57% of NAC Board of Trustees (excl. Ex-officio) reside in the Ottawa area (8 of 14)

¹⁷ Canadian War Museum is an affiliate of the CMC: all figures represent combined operations. NB.CMC incurred a net deficit of \$5.4m for total expenditures of \$95m.

¹⁸ Soiree revenues are shared equally between the National Arts Centre Orchestra and Opera Lyra. This annual event has now been cancelled.

C. NATIONAL GALLERY OF CANADA¹⁹

FY 2008

Annual Appropriation	\$52.3m
Earned Revenues Admissions/memberships/program	\$3.5m
Fundraising Foundations, sponsorships	\$1.8m
Commercial Revenues Rentals, parking, bookstore	\$5.6m
Interest income	\$0.6m
Total Revenues Generated	\$11.5m
Total Op. Revenues	\$63.8m

Annual Report Highlights

- Income Sources:
 - Generated Revenues: 19%
 - Appropriations = 81%
- Alternate revenues increased by 9% over 10 years
- Strategic goal: Increase/broaden revenue base
- Revenues generated increased from \$8.1m to \$10.5m over the past year
- Revenues increased across all fronts including rentals
- NGC Foundation revenues achieved FY08 = net \$3.2m (3.6 in 2007)
- NGC Foundation contributed \$888k to Gallery for FY 2008 (1.3m in 2007)
- endowments also reported under “other income” = \$81k in 2008
- 500,000 visitors to Gallery
- Volunteer Circle celebrated 50th Anniversary in 2008
- 40,000 volunteer hours logged

D. CANADIAN MUSEUM OF SCIENCE & TECHNOLOGY²⁰

FY 2008

Annual Appropriation	\$29m
Earned Revenues	\$1.8m
Fundraising (Foundations, etc)	\$0.6m
Commercial Revenues	\$1.0m
Interest Income	\$0.6m
Total Revenues Generated	\$4.7m
Total Op. Revenues	\$33m

Annual Report Highlights

- Income Sources:
 - Generated: 12%
 - Appropriation: 88%
- 600,000 visitors in FY2008
- Working towards a new site for CSTM (potential sites incl. Victoria Island, LeBreton Flats)
- Established a CSTM Foundation – Treasury Board provided \$325,000 in support
- Fundraising target for 09/10 is \$2.5m
- Memberships generates \$250k annually (27,500 = 6,122 households)
- 359 volunteers contributing 27,481 hours
- Additional funding through appropriations also included funding for capital projects to optimize alternate revenue generation i.e., gift shops, children education spaces (school/non-school programming).

¹⁹ Appropriations include capital contributions for emergency repairs that are integrated within financial operating statements. Foundation revenues actually reported at \$3.2m net. Figures represent Foundation direct contribution to Gallery for operating year plus over \$800k provided in sponsorships. Gross figures are used in the overview to capture full level of market competitiveness

²⁰ Canada Aviation and Agriculture Museums are affiliates of Canadian Science and Technology Museum (CSTM)

E. CANADIAN MUSEUM OF NATURE²¹

**F. NATIONAL CAPITAL COMMISSION:
ANIMATING THE CAPITAL PROGRAM²²**

	FY 2008	FY 2008
Annual Appropriation	\$28.2m	NCC Budget Allocation Est.
Earned Revenues	\$0.50	Earned Revenues (fees)
Fundraising (Foundations, etc)	\$0.61	Fundraising (sponsorships)
Commercial Revenues	\$0.89	Goods & Services (sponsors)
Interest Income	\$1.6m	
Total Revenues Generated	\$3.6m	Total Revenues Generated
Total Op. Revenues	\$31.7m	Total Program Revenues

Annual Report Highlights

- Income Sources:
 - Generated Revenues: 11%
 - Appropriation: 89%
- Strategic goal: increase self-generated revenue through National Partnerships Campaign - \$10m fund to develop new permanent galleries, travelling exhibitions and educational programmes
- The Campaign aims to provide long term support for the Museum's renewal strategy. The Campaign intends to raise \$10-million to develop topical new permanent galleries, create dynamic travelling exhibitions and present innovative programmes.
- Total Campaign pledges to date: \$8.2m, target = \$10m
- 50% of campaign target to be sourced from local donors
- 2007 annual fundraising contributions = \$1.7m
- 204 volunteers = 9200 hours of service
- Currently under construction – new Museum opening: 2010

Annual Report Highlights

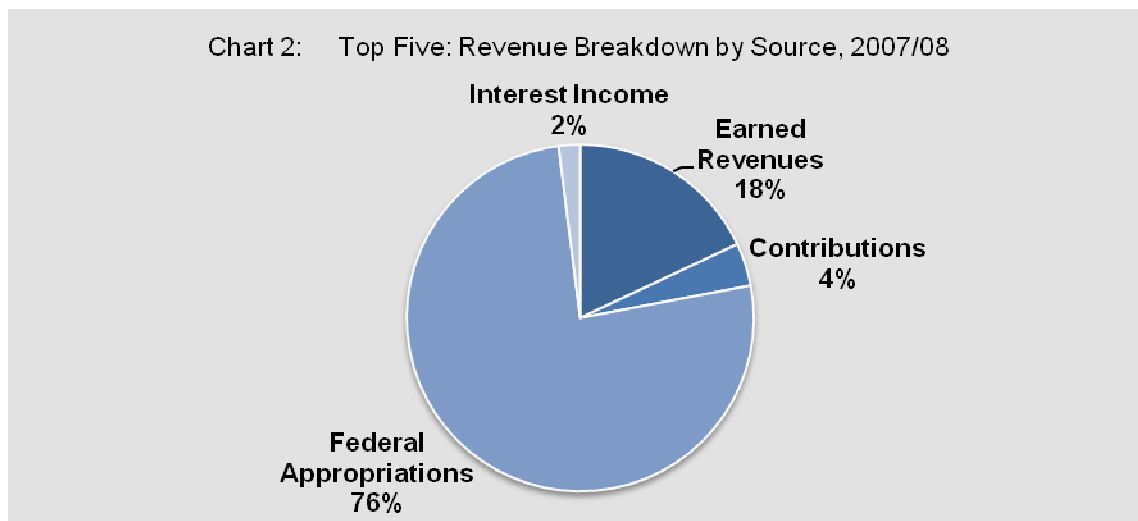
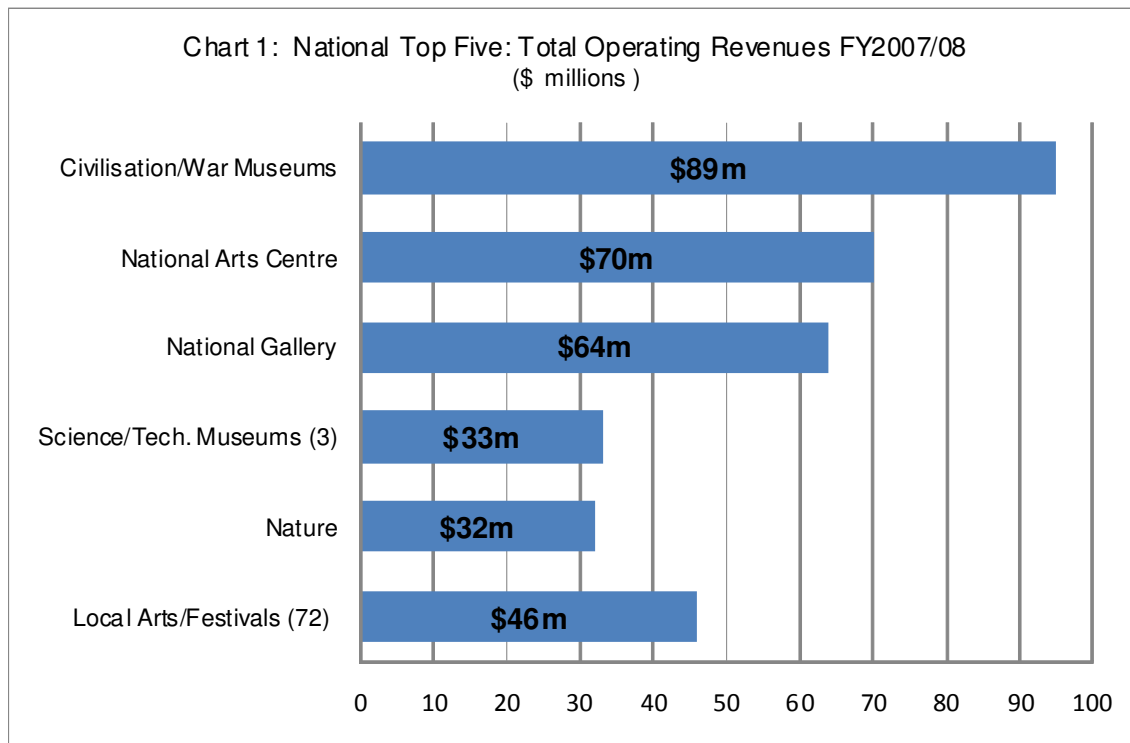
- Expenditure Breakdown:
 - Events: 48%
 - Capital marketing and Communications: 22%
 - Program support: 14%
 - Interpretation: 9%
 - Amortization: 4%
 - Commemorations: 3%
- Over 1 million attended NCC flagship events in FY2008
- 37,000 people attended new signature events at LeBreton Flats (Opera/Orchestras)
- 1,553 volunteers contributing 18,309 hours (47% of volunteers associated with Winterlude)
- Canadiana Foundation (est. 2004) accepts donations of significant historic and artistic objects (works of art, furnishings, etc.) as part of the Crown Collection. Donations for FY20 appraised at \$567k

²¹ Appropriation figures do not include capital contribution of \$58m for the Museum Renewal Project in FY2008.

²² NCC Government Appropriation is \$78m. Animation program represents 17% of NCC's total operations budget.

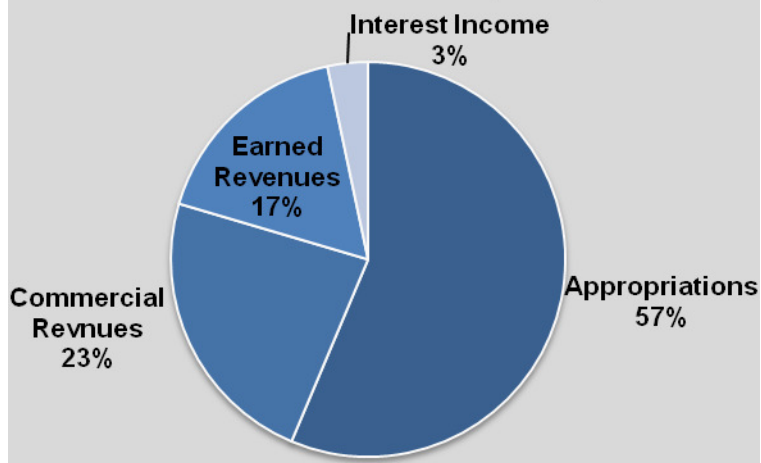
FINDINGS SUMMARY

FINANCIAL IMPACT OF OTTAWA’S TOP FIVE NATIONAL CULTURAL INSTITUTIONS



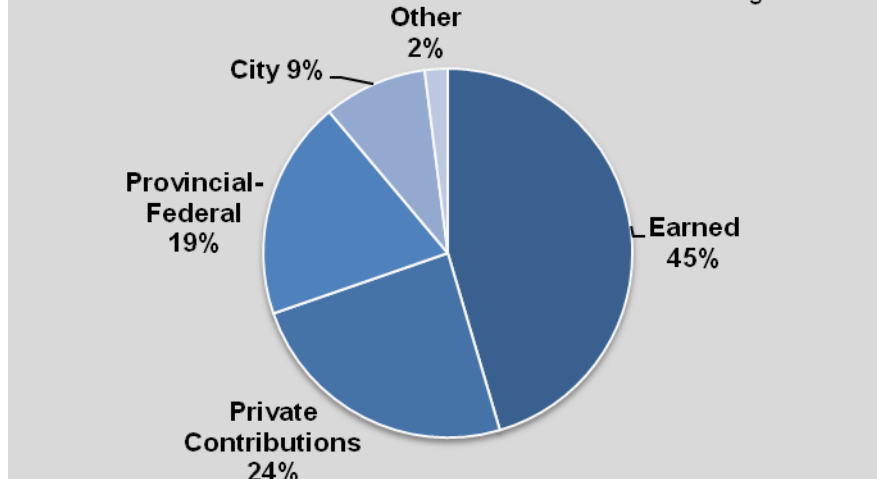
Earned Rev.	\$52m	18%
Contributions	\$11.5m	4%
Interest Income	\$6.4m	2%
Federal Op. Appropriations	\$217.5m	76%
Total Revenue	\$287.4m	100%

Chart 3: NAC Revenue Breakdown by Source, 2007/08



Earned Revenues: Program	10.2m	14.5%
Commercial Revenues Rentals, food services, parking, other	15.5m	21%
NAC Foundation (Total raised: \$8.2m)	6.7m	9.5%
Interest income	2m	4%
Appropriations	35.5m	51%
Total Revenue	\$69.9m	100%

Chart 4: Revenue Breakdown: 72 Local Arts and Festival Organizations



Earned	20,8m	45.1%
Private Sources	11.2m	24.3%
Provincial/Federal	8.8m	19.0%
Municipal	4.2m	9.2%
Other	702k	2.4%
Total Revenue	\$46.1m	100%

- Chart 1 illustrates a substantial financial impact from Ottawa’s top five national cultural institutions in contrast to City supported arts and festivals (72). For 2007/08 the combined impact is in the area of \$287m. Inclusion of the National Capital Commission’s animation component would increase the impact to \$309m.
- Chart 2 identifies scheduled annual appropriations as the primary source of revenues for these institutions representing 76% of total budget. However, a sizeable portion of annual operating income is generated from alternate sources, roughly \$70m annually. Common funding streams include admission and membership fees, commercial operations, fundraising by incorporated foundations and interest income.
- Of the \$70m generated through external sources, \$11.5m represents income generated on an annual basis from contributions through a variety of streams including: special events (local galas), fundraising campaigns, cash and in-kind sponsorships and planned giving. The NAC Foundation raised a total of \$8.2m in 2007/08 holding back \$1.5m from operations. Include NCC alternate contributions of \$2.5m and total fundraising activity in one year reaches \$15.5m. An additional \$6.4m is generated from interest income.
- FY2007/08 figures for the Museum of Nature are skewed due to construction activity and resulting downtime. It is anticipated that with the reopening in 2010, operating revenues and expenditures will increase to reflect true operating costs in a newly expanded facility.
- On average, total alternate revenues represent 24% and government appropriations represent 76% of the total operating budget. The National Arts Centre reports the greatest reliance on alternate sources of income at 39% or, \$34.4m.
- Although local vs. national fundraising targets are not always specified, federal literature and data affirms the existence of a strong base of local support. This support translates into individual and corporate donors as well as revenues generated from admissions, memberships and offerings of non-school programs.
- Volunteer hours including those of the NCC have been included as they represent an “alternate contribution” and as such, offset true operating costs. The Top Five plus the NCC report a strong volunteer base for FY2008 totalling 131,900 hours for one year. This translates into 80 FTE and a labour value of \$2.3m.²³
- More recently, these institutions have re-established a federal network to optimize resources through collaboration and expertise sharing in an effort to increase their visibility and competitiveness²⁴.
- Sharing of expertise and experiences through an established marketing network may help to explain the recent trend among these institutions of establishing independent incorporated foundations for the sole purpose of raising contributions in trust as a consolidated source of alternate income.

²³ Using formulae published in report: “How to Estimate the Economic Contribution of Volunteer Work” (1994) by David Ross, Department of Canadian Heritage. NB No figures were available for the NAC.

²⁴ Reference is made to findings from recent study entitled: “The Costs and Benefits of Being a Canadian Capital City”, 2007. Report prepared by E. Slack, H. Kitchen and M. DeFalco for the Canadian Capital Cities Organization.

TREND: INCREASED REVENUE CAPACITY OF THE NATIONAL ARTS CENTRE

- As illustrated in Charts 3 and 4, the NAC is the top ranking single generator of alternate revenue in the City with a combined total of \$34.4m; comparable to the \$36m of alternate funding generated by 72 resident arts and festival organizations.
- Table 6 takes a special look at the stepped up efforts of the National Arts Centre over a three year period. The NAC data best demonstrates the trend towards increasing and diversifying external funding sources thereby increasing competition for local dollars. Income generated over a three year period increased by \$4.1m (+12%) vs. appropriations which experienced an overall increase of \$2.5m (+7.5%).
- Revenue increases were experienced across the board in all areas of activity: earned revenues (+15%) contributions (+22%) commercial operations (+16%).
- Paid attendance levels increased by 14% (477,000 in FY2005 to 554,534 in FY2008)
- Commercial operations include: rental fees for “Broadway Across Canada” tours as well as increased revenues from parking, conferences and food services
- Established in 2000, the NAC Foundation’s goal is to achieve an annual fundraising capacity of \$10m by 2010.
- NAC Foundation Revenue Breakdown:
 - 41% Special Events (Local Galas)
 - 40% Individual Donations
 - 12% Sponsorships
 - 5% Corporate Donations
 - 2% Investment Income
- While local-national fundraising targets incurred a slight change (57% vs. 43% respectively) the data continues to demonstrate a substantial reliance on Ottawa-based sponsorships and philanthropy.

TABLE 6: NATIONAL ARTS CENTRE REVENUE GENERATION ACTIVITY BETWEEN FY2005 AND FY2008

	2004-05	2007-08	Change
Earned Revenues Box office, Programmes	\$8.65m	\$10.2m	\$1.55m (+15%)
Contributions sourced by NAC Foundation: corporate sponsors, fundraising events, donors, planned giving	\$6.4m raised \$6.1m Disbursed to NAC	\$8.2m raised \$6.6m Disbursed to NAC	\$1.8m (+22%)
Commercial incl. Broadway Across Canada tours	\$12.2m	\$14.5m	\$2.3m (+16%)
Total Revenues Incl. misc., interest, etc.	\$30.3m	\$34.4m	\$4.1m (+12%)
Fundraising Target	60% local – 40% national	57% local – 43% national	-3% local
Annual Op. Appropriation	\$33m	\$35.5m	\$2.5m
Total Op. Expenditures	\$64m	\$70m	\$6.0m

ANALYSIS

National institutions do present unique capacity challenges for Ottawa’s non-profit arts and festival organizations. Trends indicate that these challenges will only increase in time if not addressed more comprehensively.

- As illustrated in Chart 4, alternate revenue generation represents 70% of total income for 72 of Ottawa’s arts and festival groups totalling \$ 32m. It is their primary source of income, above government contributions, which only accounts for 30% of total income. In contrast, the alternate revenue generation for the Top Five accounts for only 24% of total budget, with 76% sourced from annual appropriations.
- Local arts and festivals generated \$13m from all government sources in 2007/08 including municipal, provincial and federal. Funding from these sources is less stable than annual appropriations as they may be subject to budget or policy changes from year to year.
- Trends, as illustrated by the NAC figures, show an increased level of competitiveness for local resources. It is anticipated that other programs, such as the NCC’s expanded animation program, the recent opening of the expanded Museum of Nature, and the recent introduction of an endowment for the Science and Technology Museum will create additional challenges for local capacity building, particularly from private sources.
- This exercise has been limited to determining federal competitiveness in relation operating sustainability for local arts. As such, federal appropriations for capital improvements were not included. However, it is important to note that large scale renewal projects may attach a significant, one-time public appeal in order to augment federal funding for specific improvements as in the case of the Museum of Nature.
- The evidence as presented substantiates claims of unique capacity issues as expressed by local arts and festival stakeholders. Despite herculean challenges, they have displayed a highly entrepreneurial and resilient spirit.

Status quo not an option

- Given recent economic challenges and the unstable nature of funding in general, there are growing concerns for the future, particularly when national institutions have scaled up revenue generating and fundraising activities. While the City’s arts investment strategy and capacity building initiatives have helped to stabilize and leverage additional investment, challenges of this nature and scale speak to the need for a broader spectrum of strategies including city-wide approaches to increase private sources of support.

2.3 LEADERSHIP GAP: A CONTINUUM OF LOST OPPORTUNITIES

REVIEW: OTTAWA'S PARTICIPATION IN THE CANADIAN ARTS AND HERITAGE SUSTAINABILITY PROGRAM

The Canadian Arts and Heritage Sustainability Program (CAHSP) was introduced by the Department of Canadian Heritage (PCH) in fiscal year 2001-02 and, over the past seven years (to the end of 2007-08) has provided some \$160 million in grants and contributions to strengthen the organizational, administrative and financial effectiveness of cultural, arts and heritage organizations, and to celebrate and support Canadian communities' achievements in arts and culture.²⁵

Based on the success of several pilot projects under the Cultural Initiatives Program, CAHSP was comprised of six components for the purposes of 1) contributing to the establishment of regional/local stabilization projects across Canada; 2) providing alternative project funding to support capacity building exercises to organizations; 3) providing incentive for organizations to establish endowments through match-up contributions; 4) providing one-time emergency relief to endangered arts organizations; 5) advancing peer-to-peer capacity building through national networks; and, 6) advance and celebrate municipal investment in the arts through monetary awards (Cultural Capitals of Canada Awards).

In 2008, through an evaluation process, the department concluded that components of CAHSP achieved their objectives. While funding did continue into FY 2008-9, there were reductions of \$4.2m to the program's budget. Results from the evaluation process expressed the department's intention to continue with sustainability initiatives but with some adjustments to the original components and a re-branding of the program.

In June 2009, the Minister for Canadian Heritage and Official Languages issued a media release announcing the continuance of arts funding over the next five years, including renewed support for sustainability initiatives. The new program, entitled the Canada Cultural Investment Fund (CCIF) has a financial commitment of \$169m (or \$33.8m/year) for the next five years. The new program aims to stimulate private donations to arts organizations through three funding components: 1) endowment incentives; 2) Cultural Capitals of Canada Awards; and 3) strategic initiatives support (building upon stabilization, capacity building and networking)²⁶.

The purpose of this study is to examine the responsiveness and participation of Ottawa's arts organizations in the various components of CAHSP, over the seven year period, in order to determine which aspects of the program were accessed and what were the results. There are lessons to be learned from the CAHSP experience in advance of the next wave of federal investment opportunities. At the time of writing Department of Canadian Heritage has not released details regarding the new Canada Cultural Investment Fund. As such, we are not able to include any analysis of proposed initiatives within this report.

²⁵ Department of Canadian Heritage, "Evaluation of the Canadian Arts and Heritage Sustainability Program" May, 2009

²⁶ Department of Canadian Heritage "Government of Canada Ensure Financial Stability of Cultural Sector by Renewing Arts Investment for Next Five Years". Media Release issued June 26, 2009.

TAPPING OPPORTUNITY: CROSS-CANADA RESPONSE TO CAHSP ²⁷

i) CAHSP STABILIZATION COMPONENT: KICK-STARTING PUBLIC-PRIVATE COLLABORATIONS

This particular component of the CAHSP helped to establish regionally-based Stabilization Projects across Canada; run by independent, non-profit organizations governed by representative boards of directors. According to the Department of Canadian Heritage:

- over \$10 million has been invested in 10 stabilization projects across Canada²⁸
- over 200 arts and heritage organizations participated in this initiative
- projects leveraged \$43 million over their total lives in addition to the funds from Canadian Heritage

Tables 7 and 8 demonstrate the scale and diversity of stabilization projects realized and positively affirms the power of collaborative action (public and private sponsors) within communities across Canada. It is interesting however, to note Ontario's absence in terms of establishing a province-wide framework as compared to other regions and subsequently, the presence of two local agencies in Southern Ontario (Toronto and Hamilton) but not in other regions and most specifically, not in Ottawa.

The majority of these projects have now ceased operations while a few have evolved to undertake new priorities, particularly in the areas of continued capacity building.

ii) CAPACITY BUILDING COMPONENT: ALTERNATIVE ASSISTANCE TO ORGANIZATIONS

This alternative component to stabilization projects provided direct support to organizations seeking to strengthen their organizational, administrative, and financial circumstances. This component specifically targets the following key areas: governance structure; management practices; financial self-sufficiency; and development of new or diversified audiences.

According to the Department of Canadian Heritage:

- Over \$37m has been invested in capacity building for arts and heritage organizations
- A total of 732 organizations have benefited from this component
- A total of 1,077 projects were funded

Allocation Summary of CAHSP Capacity Building Funds:

Governance	Over \$12m invested in more than 400 projects
Financial Self-Sufficiency	Over \$2m invested in more than 350 projects
Audience/Membership Services	Over \$6.4m invested in nearly 200 projects
Management Practices	Nearly \$6m invested in almost 150 projects

²⁷ Focus is limited to CAHSP funding components only: Stabilization Projects, Capacity Building and Arts Endowment

²⁸ Several projects were established prior to CAHSP and funded under the Cultural Initiatives Program.

III) ARTS ENDOWMENT COMPONENT: SUCCESSFUL INCENTIVE FOR PRIVATE GIFTING

The Endowment Incentive Component of the CAHSP is intended to encourage private donors to contribute to endowment funds for not-for-profit professional arts organizations in order that they may have access to new sources of funding in the future.

According to the Department of Canadian Heritage:

- 121 arts organizations received matching funds from this initiative
- Total federal investment has been approximately \$72 million
- \$104 million was leveraged in private sector donations

National Impact

According to Statistics Canada, the average Canadian arts organization is in a better financial situation than it was prior to the introduction of the CAHSP initiative. Based on a survey sample of approximately 190 arts organizations across Canada (from FY 1998-99 to 2005-06) it discovered a general improvement in their financial position. For instance, in FY 1998-99, the number of organizations with accumulated deficits outnumbered organizations with accumulated surpluses at a rate of 89 to 67. By FY 2005-06, the number of arts organizations posting an accumulated surplus was significantly the higher at a rate of 127 to 61.

Table 7: CASHP Funded Stabilization Projects – Provincial Level ²⁹

PROV	BC	AB	SK	MB	NB	NS	PEI
NAME	ArtsPOD	Performing Arts Stabilization Fund	Arts Stabilization Fund Saskatchewan	Arts Stabilization Manitoba	Arts & Heritage Stabilization Program	Foundation for Heritage & the Arts Stabilization & Enhancement	Island Arts & Heritage Stabilization
PERIOD OF ACTIVITY	Est. 1988 by City. Inc. into VAST in 1994, Both transf. to province in '03	1995-2004	1998-2006	1998-2008	2002-2008	1998-2004	2003-2006
PARTNERS	-BC Arts Council -City of Vancouver -BC Capital Region District -Vancouver Foundation -Vancouver Arts Stabilization	-PCH -AB Government -Private Sector	-PCH -SK Culture -SK Arts Board -SaskEnergy -Sask. Gov Ins. -Bronfman Foundation -Foundations + private sector	-PCH -MB Government -City of Winn -Winnipeg Foundation -McConnell Foundation -Private sector	-PCH -NB Gov -United Way -Bronfman -McCain, & Meighen -Foundations -Private sector	-PCH -NS Gov	-PCH -PEI Gov -Bronfman Foundation -Private sector
CLIENT GROUP	2005-08: 112 organizations rec'd capacity building support	-10 largest performing arts orgs. in Edmonton & Calgary -43 smaller orgs across AB	Regina: -Globe Theatre -Mackenzie Art Gallery -Regina Symphony -Common Weal -Saskatoon: -Persephone Th.	6 orgs. incl. -Man. Museum -Royal W. Ballet -Winn. Art Gallery -Winn. Symphony -Winn. Film Group -Smaller orgs assisted by a Performance Builder Program	21 orgs. incl. -Atlantic Theatre Ballet -Frye Festival -Symphony NB -Beaverbrook -Gallery -Connexion	-Symphony NS -Visual Arts NS -Art Gallery NS	6 organizations: -Carrefour Theatre -College/ Piping -Indian Riv. Fest. -Jubilee Theatre -PEI Symphony -Victoria Playhouse
BUDGET	\$460,070 2005-2008	\$11m	\$1.74m	\$6m	\$2.3m	n/a	\$800,000
PCH \$	See VAST (Table 2)	\$1.74m	\$500k	\$1.5m	\$565,000	\$1.15m	\$200,000
OTHER	Managed by the BC Centre for Sustainability	Provincial Oversight	Oversight by Sask. Arts Board	Managed by an incorporated agency	Managed by NB Foundation	Managed by Community Foundation of NS	Managed by PEI Community Foundation

²⁹ Quebec's Ministry of Culture created its own province-wide arts stabilization program without CAHSP investment. The provinces of Ontario and Newfoundland and Labrador did not establish any formalized stabilization program –with or without CAHSP investment. Federal funding for AB came from CAHSP predecessor, PCH Cultural Initiatives Program.

Table 8: CAHSP Funded Stabilization Projects by City-Metro Area

CITY	VICTORIA	VANCOUVER	HAMILTON AREA	TORONTO
FUND NAME	Arts Sustainability Victoria	Vancouver Arts Stabilization Team (VAST)	Bay Area Arts & Heritage Stabilization	Creative Trust for Arts and Culture
TIME FRAME	2004-2010	1994-2005	1996-2006	2002-2008
PARTNERS	-PCH -Private Sector	-PCH -BC Arts Council -City of Vancouver -Vancouver Foundation -Private Sector	-PCH -City of Hamilton	-PCH -Canada Council -ON Ministry -ON Arts Council -Trillium Foundation -City of Toronto -TO Foundation -Private Sector
CLIENT GROUP	5 organizations: -Art Gallery of G.V. Victoria -Pacific Opera -Conservatory of Music -Belfry Theatre -Vic. Symphony	8 arts institutions incl. -Ballet BC -Van. Art Gallery -Van. Symphony -Van. Opera	-Opera Hamilton -Hamilton Orchestra	21 TO based mid-sized performing arts companies Plus outreach learning for 30 smaller groups across GTA
BUDGET	\$1.3m	\$9.5m	n/a	\$6.2m
PCH \$	\$750,000	\$1.3m	\$670,000	\$1.75m
OTHER	Managed by the Victoria Foundation	First stabilization project in Canada VAST evolved back to ArtsPOD in 2003 -becoming a BC-wide agency (see Table 1)	Established by Hamilton Community Foundation – became incorporated	Registered Charitable Foundation. Emerged from Arts4Change Project

Table 9: CAHSP Arts Capacity Building Grants: Five Year Allocation by Major Cities³⁰

Arts Capacity Building Funds		
Area	No. of Grants	Total Allocation
National	572	\$19,386,484
Montreal	118	\$4,674,451
Toronto	86	\$3,420,850
Vancouver	35	\$909,207
Ottawa	33	\$787,820
Calgary	30	\$695,515
Winnipeg	14	\$335,767
Edmonton	5	\$88,500

From 2002-2007

Table 10: CAHSP Endowment Incentive Contributions: Seven Year Allocation by Major Cities³¹

CAHSP Arts Endowment		
Area	No. of Grants	Total Allocation
National	356	\$71,841,850
Montreal	59	\$12,348,608
Toronto	48	\$12,000,140
Winnipeg	40	\$8,369,991
Calgary	25	\$7,896,612
Vancouver	36	\$5,427,659
Edmonton	33	\$3,311,375
Ottawa	1	\$7,925

NB From 2001-2008

CAHSP INVESTMENT: OVERVIEW

Table 11: Total CAHSP Allocation by Major Cities

	TORONTO	MONTREAL ³²	WINNIPEG ³³	CALGARY ³⁴	VANCOUVER	EDMONTON	OTTAWA
Stabilization	\$1.75m	--	\$1.5m	AB	\$1.3m	AB	--
Capacity	3.4m	4.7m	336,000	695,515	909,000	88,500	787,820
Endowment	12m	12.3m	8.3m	7.9m	5.4m	3.3m	\$7,925
Total CAHSP Investment	\$17.15m	\$17m	\$10.1m	\$8.6m	7.6m	\$3.4m	\$796k

Table 11 provides a city breakdown of the combined federal investment through CAHSP and its predecessor, the Cultural Initiatives Program. It does not include additional dollars leveraged from these investments.

³⁰ Source: Department of Canadian Heritage CAHSP website. NB Represents arts only capacity building grants.

³¹ I.bid

³² Montreal received stabilization support through Les Fonds de stabilisation et de consolidation des arts et de la culture du Québec, est.1999. See Note 5.

³³ Winnipeg-based local and provincial institutions were primary beneficiaries of Manitoba Arts Stabilization Fund.

³⁴ Per Table 1, Calgary and Edmonton's performing arts venues and companies benefited from the province's stabilization project: Alberta Performing Arts Stabilization Fund, est. 1999 with funding from the federal Cultural Initiatives Program. The Fund was initially established to support 10 major organizations located in both cities. Subsequent support focused on smaller communities throughout the province.

OTTAWA: INDIVIDUAL VS. COLLABORATIVE PARTICIPATION

The evidence as presented reveal Ottawa's curious underperformance in tapping into federal-leveraged investment for additional working capital and longer term endowment instruments in comparison with other major cities; most notably the absence of collaborative capacity in comparison to other cities including Winnipeg, Hamilton Region and Victoria.

However, Ottawa's response to CAHSP Arts Capacity Building component proved more favourable.

A total 24 local arts organizations participated in this program resulting in a total federal investment of \$795,745.

To assume that no local action was taken during this period of high activity would be misleading. As federal initiatives took place, the City of Ottawa introduced several sustainability initiatives as part of its multiyear Arts Investment Strategy exercise. Relevant initiatives include:

- targeted increases to the municipal grants program
- pilot Capacity Building Grants (CAHSP matching funds)
- the launch of Festival Sustainability and Emergency Funds

Records from past Arts Investment Strategy Committee Meetings in 2006 reveal active discussion on accessing federal stabilization funding. Unfortunately, by this time, CAHSP had ceased rolling out new funding for stabilization projects.

ARTS ENDOWMENT INITIATIVES

While Ottawa's response to the CAHSP endowment fund initiative can be best described as marginal; modest gains were made through similar provincial incentives through Ontario's Arts Endowment Fund Program.

In 1998, the Government of Ontario announced the creation of a \$25m Arts Endowment Fund Program providing dollar for dollar match-up funding on a "first come, first served" basis, up to a predetermined maximum, and invested in perpetuity. Following the great success of Phase I of the AEF Program, the government announced a \$25m enhancement in May 2000 for Phase II and a further enhancement of \$10m for Phase III in the March 2007. Phase III of this program ended on December 31, 2008. All endowments established by this program are held in trust by the Ontario Arts Foundation. Income generated annually from these endowments is to be used for ongoing operations.

By 2008, the Ontario Arts Foundation reported holding a total of 275 arts endowment funds, 20 of which are dedicated to Ottawa based organizations. The twenty local endowments generated a combined income of \$98,430 in 2007. The Community Foundation of Ottawa (CFO) holds a diverse range of endowment funds (49) with 3 dedicated to local arts organizations. The combined holdings of the CFO's arts endowment funds are approximately \$600,000; producing an annual income of \$40,102 for 2007.

ANALYSIS

- **The Department of Canadian Heritage’s Canadian Arts and Heritage Sustainability Program is widely recognized as a highly successful initiative.**

Reported outcomes include:

- substantial level of working capital generated from all sources
- amount of private investment leveraged
- diversity in the private and public partnerships
- participation by arts organization
- increased financial literacy and stability
- universal adoption of better business practices

Overall, CAHSP represented an exceptional opportunity for short and long term sustainability. While the newly launched Canada Cultural Investment Fund (CCIF) will continue with some components including match-up incentives for endowment fund building, others, such as the Stabilization Project will not be repeated.

- **While Ottawa arts groups tapped into CAHSP funding to support for capacity building initiatives, clearly, there were substantial opportunities missed.**

Ottawa groups did not tap into stabilization funds nor match up incentives for endowment funds. The absence of timely collaborative action on these fronts represents a significant loss of investment to the City in general.

- **The results of this review lead us to seriously question the collective capacity to mobilize when opportunities present themselves.**

These events keenly illustrate the absence of a catalyst or leading agent to advance tri-level government and private-public partnerships.

- **Toronto’s Creative Trust for Arts and Culture is recognized as the most effective arts stabilization agency created in response to the CAHSP initiative.**

This model has been the subject to further investigation as a feasible strategy for Ottawa. Results of this review are presented in Chapter 4.

- **New Opportunities Require Immediate Action**

The federal government has reintroduced certain components of the CAHSP initiative. It is imperative that actions be taken in order to benefit from funding made available for strategic initiatives and match-up incentives for arts endowments.

3.0 NATIONAL CAPITALS REVIEW

3.1 FINDINGS SUMMARY

REVIEW OF LOCAL ARTS EXPERIENCE AND PRACTICES IN OTHER CAPITAL CITIES

INTRODUCTION

Capital cities generally serve as the seat of government for nation states. Their distinction is due to the presence of legislative precincts, superior court houses, and large office complexes for public services. As the seat of government, capitals also serve as a meeting place and destination for national and foreign dignitaries, special delegations, business and leisure visitors, organized public demonstrations, and students on educational field trips.

While capital cities may vary in terms of governance, history, politics and culture, they all share the practice of installing and maintaining a range of cultural institutions to promote a shared sense of history and identity among its citizens. These institutions may vary in range and scale but are typically categorized as follows:

- archives and libraries
- museums of natural history and civilization
- fine art galleries
- centres for performing arts: theatres, concert halls, opera houses
- centres of science and technology
- memorials/historic monuments and green spaces
- official and historic residences
- annual statehood celebrations

Each of these features plays an important role in conveying the unique identity of a nation. They also advance the concept of *place-making* to a standard befitting the seat of government, meeting place, and destination. Place-making is achieved through built form, presentations, exhibits, memorials and celebrations.

TYPES OF CAPITALS

This study focuses on four basic types of governing structures for capital cities around the world³⁵

- **Federal Districts or Territories** are capitals governed by separate national legislation. Within a federal district, the central government has considerable control over developing the city as a symbol of the nation. Sometimes this control is at the expense of local autonomy. Examples include Washington, DC (US), Canberra (Australia), Brasilia (Brazil), Mexico City (Mexico), and Caracas (Venezuela).

³⁵ Slack, E., Kitchen, H. and DeFalco, M. (2007) "The Costs and Benefits of Being a Canadian Capital City", Report prepared for the Canadian Capital Cities Organization.

- **City-States** have the powers and responsibilities of both cities and provinces/states. City-states, as a result, tend to have more powers than other cities and generally more revenue-raising capabilities. Examples of capital cities that are city-states are Berlin (Germany), Vienna (Austria), and Bern (Switzerland).
- **Capitals in Single State Nations** are municipalities or metropolitan areas found within unitary countries; where no state or provincial governments exist. The governance of these capital cities is the same as for other cities in the country. There are differences for some capital cities related to the dominant size and importance of the city in the national system rather than its status as a capital city. Examples are London (UK), Paris (France), Rome (Italy).
- **Single Cities** are capitals governed as other municipalities situated within a province or state. These capital cities are generally treated the same way as other cities in the country. Ottawa serves as a prime example of this model.

SELECTION OF CAPITALS FOR INVESTIGATION

This section of the report represents the international component of the study. As national capitals are highly unique within a nation, there is relevance in investigating the local/federal experience and practices elsewhere for comparative purposes. The challenge has been in finding the right mix of sample capitals to investigate.

Initial consideration was given to exploring the types of capitals that are closely aligned to Ottawa; cities deemed as “political” capitals versus those classified as “multifunctional” capitals. Additional consideration was given to investigating other capitals within G-8 group of nations. However, given the limitations of the first approach and the Eurocentric nature of the latter, it was determined that a hybrid or mixed selection was required.

Capital Cities of the G-8

Cities	Single City Population	Type of Capital
Moscow	10.5m	City-State (1 of 84 federal states or “subjects”)
London	7.6m	Capital of a Single State Nation
Berlin	3.4m	City-State (1 of 16 federal states or “lands”)
Madrid	3.3m	City-State (1 of 17 federal states or “autonomous communities”)
Rome	2.7m	Capital of a Single State Nation
Paris	2.2m	Capital of a Single State Nation
Ottawa	900,000	City within Multiple State Nation (city within a federal state/province)
Washington DC	600,000	Federal District

Our search resulted in the selection of the following capital cities based on: representation from multiple continents; diversity in capital types; economically and politically advanced nations and, where possible, sharing similar characteristics including population, demographics, etc.

Capital Type	Sample Group
Federal Districts/Territories	<ul style="list-style-type: none"> Washington, District of Columbia (DC), United States Canberra, Australian Capital Territory (ACT)
City-States	<ul style="list-style-type: none"> Berlin, Federal Republic of Germany Prague, Czech Republic
Capital of Single State Nations	<ul style="list-style-type: none"> Helsinki, Republic of Finland

The research focused on determining common and unique characteristics including:

- approach to local governance and evidence of arts/cultural mandate
- identification and description of local arts authorities and supporting agencies
- presence of national cultural institutions
- evidence of any designated federal capital authority
- presence of local arts through venues and activities (festivals)
- evidence of federal-local interaction and support
- highlighted practices of interest

The research exercise for this investigation primarily consisted of 1) literature and data review 2) interviews where required and 3) on-site visits and interviews in select capitals including Berlin, Prague and Helsinki.

Table 12 provides an overview of the information collected on each other capitals. The following section provides a more detailed summary on each of the capital cities reviewed.

Table 12 Overview: National Capital Cities

	WASHINGTON, DC	CANBERRA	BERLIN	PRAGUE	HELSINKI
Capital City	WASHINGTON, DC	CANBERRA	BERLIN	PRAGUE	HELSINKI
Population	600,000	345,000	3.4m	1.2m	570,000
Type Of Capital	Federal District	Federal Territory	City-State (1 of 16 states)	City-State (1 of 13 regions)	City/Single State Nation
Local Government Structure	District of Columbia Government	Australia Capital Territory Government	"Land Berlin" Government:	The Capital City of Prague (CPP)	City of Helsinki
	-Elected Mayor + 13 Councillors	Legislative Assembly: 17 elected members from 3 districts Executive: Chief Minister + 4 Cabinet Ministers	-House of Representatives (149 seats) -Upper House: Senate of Berlin -Lower House: 12 District Councils (w/Mayors) -Executive (Senate): Governing Mayor + 8 Cabinet Ministers	-City Hall: 70 member elected assembly -Council of the CPP (Executive Body) headed by the "Lord Mayor" and 11 Assembly members -Municipal Districts w/elected Mayors and representation: 57 -Administrative Districts: 22	-City Council: 85-member elected assembly. -City Board: 16 members and deputies elected by City Council -Mayor & 4 Deputy Mayors with specific portfolios (Executive)
	-37 elected Advisory Neighbourhood Commissions				
Federal Capital Agencies	-National Capital Planning Commission -Architect of the Capitol -National Parks Service	National Capital Authority	None evident Federal –Berlin partnership through the Capital Culture Contract. In effect until 2017.	None evident	Senate Properties (federal buildings)
	US Congress: Smithsonian Institution Complex (17 museums/galleries) -Kennedy Centre for the Performing Arts -National Symphony -National Gallery	Ministry of Environment, Heritage and the Arts: -National Museum -National Gallery -National Portrait Gallery -National Archives -National Library -Film & Sound Archives	-Prussian Cultural Heritage Foundation (Federal) preserves pre-war Prussian national heritage including 22 national museums and galleries in Berlin capital. -Includes "Museum Island" District.	Ministry of Culture: -National Gallery -National Museum - Technical Museum -Decorative Art Museum -National Theatre -State Opera -Philharmonic Orchestra -National Library -Nat'i Film Archives	Ministry of Education and Culture: -National Museum -Natural History Museum -National Gallery (3) -National Opera -National Theatre -National Ballet -Swedish Theatre -National Archives
National Culture Institutions					
Local/Municipal Arts Authorities	DC Commission for the Arts & Humanities (Deputy Mayor's Office - Economic Development)	Arts ACT (Chief Minister)	Chancellery for Cultural Affairs (Governing Mayor)	Culture, Monument Care and Tourism Department (Council of the CPP)	Cultural Office (Deputy Mayor for Education, Culture and Personnel Affairs)



Capital City	WASHINGTON, DC	CANBERRA	BERLIN	PRAGUE	HELSINKI
Function Areas Of Arts Authority	<ul style="list-style-type: none"> -Arts/Artist Grants -Facility Grants -Festival Grants -Project Funding -Public Art -Arts Education -Community Arts -Policy/Advisory <p>2009 City Grants = US\$11.7m</p>	<ul style="list-style-type: none"> -Arts/Artist Grants -Facility Grants -Festival Grants -Project Funding -Public Art -Facilities/District Mgt. -Policy/Advisory -Arts Education -Community Arts <p>2010 ACT Grants = AU\$1.33m (exc. Festivals)</p>	<ul style="list-style-type: none"> -Arts/Artist Grants -Facility Grants -Festival Grants -Project Funding -Public Art -Facilities/ District Mgt. -Policy/Advisory -Arts Education -Community Arts -Promotion <p>City Grants/ Scholarships, etc = €20m for 2009</p>	<ul style="list-style-type: none"> -Arts/Artist Grants -Facility Grants -Festival Grants -Project Funding -Facilities Mgt. -Policy -Promotion -Advisory Board <p>2009 City Grants = CAD\$10.1m</p>	<ul style="list-style-type: none"> -Arts/Artist Grants -Facility Grants -Festival Grants -Project Funding -Facilities Mgt -Policy -Arts Education -Residencies <p>2008 City Grants = €12.7m</p>
Key Supporting Agencies	<ul style="list-style-type: none"> -US Commission of Fine Arts: National Capital Arts & Cultural Affairs (Grants) -Greater Washington Cultural Alliance -Cultural Development Corporation -DC Advocate for the Arts 	<ul style="list-style-type: none"> - Cultural Facilities Corporation AU Arts Ministry: Sub-Granting to Regions -Canberra Arts Marketing -Capital Arts Patrons Organization 	<ul style="list-style-type: none"> -Berlin Opera Foundation -Cultural Projects Berlin -Dept. of Urban Development 	None evident	<ul style="list-style-type: none"> -Helsinki Metropolitan Regional Arts Council (federal sub-granting)
City Based Major Institutions -Venues (Non-Federal)	<ul style="list-style-type: none"> -Atlas Centre -DAR Concert Hall -The National Theatre -The Studio Theatre -GALA Hispanic Theatre -Harman Arts Center -Mead Center for American Theatre -Corcoran Art Gallery -Kreeger Art Museum -Textile Museum 	<ul style="list-style-type: none"> Canberra Cultural Facilities Corporation: -Canberra Theatre Centre -Canberra Museum & Gallery -Nolan Art Gallery -Civic Square Cultural Precinct Arts ACT operates 12 arts centres across City. 	<ul style="list-style-type: none"> -Berlin Philharmonie Concert Hall -Berlin Opera Foundation: (3 opera houses) -6 major theatres -Picture Gallery -Contemporary Art Museum -Kulturforum District 	<ul style="list-style-type: none"> -Prague Metropolitan Museum -Prague Symphony Orchestra -Prague Metropolitan Gallery -Prague Metropolitan Library -Prague Planetarium -10 Theatre Venues -DOX Centre for Contemporary Art 	<ul style="list-style-type: none"> -City Art Galleries (3) -Helsinki City Theatre -Helsinki City Museum -Helsinki Philharmonic -Finlandia Concert Hall -4 professional dance theatres <p>Culture Office provides: -11 multipurpose arts centres : central and regional areas</p>
Comments	<p>US Commission of Fine Arts Grants = \$5m to non-federal institutions in 2008</p>	<p>Two local agencies manage 15 professional /community arts venues. ACT received \$205k for federal sub-granting purposes.</p>	<p>Special federal investments made to assist with restoration and revitalization of the Capital, post-reunification. 2009 Capital Culture Grants = € 10m</p>	<p>-Prague allocates 5% of City budget to local arts/culture.</p> <p>-DOX Centre for Contemporary Art: local benefit – global focus</p>	<p>-Helsinki allocates 3% of City budget to local arts/culture</p> <p>-New Concert Hall Complex under construction (€140m): Helsinki Music Centre</p>

Local Governance

While the size and scale of municipal councils or assemblies varied significantly among the five capitals, it is noted that the majority operate in a multiple tier fashion; with an appointed executive group as a separate and distinct functioning body. It is also interesting to note that in all cases, city-based arts and culture services are placed within the senior ranks of municipal leadership, such as the portfolios of the Mayor or Deputy Mayor.

Federal Capital Authorities

Capital authorities similar to Canada's National Capital Commission are evident in cities which share the same "planned capital" provenance. It is interesting to note that these agencies are not common in other types of capitals. The Berlin model is an interesting hybrid of shared federal/local responsibility given the need to consolidate, restore and revitalize a once divided or "double" city (formerly East and West Berlin). In non-planned capitals, urban planning and design was found to be the exclusive domain of municipal governments.

Federal Cultural Presence

Table 12 illustrates the concentrated presence of federally sponsored institutions within each of the capitals. Typical features include museums, galleries, libraries and archives, performance venues and performing companies. State governments, regardless of size, age or provenance clearly understand and appreciate the importance of promoting a shared sense of nationhood to its citizens and visitors.

In the majority of cases, federal oversight is provided by the designate cultural ministry. However, in the case of DC and Berlin, there is an arm's length agency or foundation involved. It is also interesting to note that in certain circumstances, local authorities (DC and Helsinki) provided subsidy to specific national institutions; typically to state performing groups or for specific activities, such as the hosting of festival-type events. In Berlin, the federal/local portfolio is a "blended" affair under a Capital Culture contractual arrangement. The federal Prussian Cultural Heritage Foundation also receives a portion (25%) of its annual support from the 16 federal states including Berlin.

Local Arts Governance

Each capital city has a designated local arts authority with established mandate and policy. While arm's length authorities are more typically found in cities across North America they are less common as a governance model in capitals abroad, particularly in Europe. Regardless of governance model, it is interesting to note the universality of diverse function areas and services delivered; with municipal grants management (peer/expert assessed) as a core service.

Another common function among the majority of local agencies is the managing/supporting of major arts venues and in some cases, designated cultural districts. Typically these venues include major presentation spaces such as galleries, performance centres and multipurpose complexes within the

central core of the capital in proximity to national institutions. There is also evidence of operation and support of neighbourhood or regional arts venues.

Instances have been found where senior governments provide local subsidy separate from the annual granting provisions through federal arts councils or Ministry departments. In the case of Washington, DC major arts organizations with budgets in excess of \$1m are eligible for grants from the National Capital Arts and Cultural Affairs Program which is administered by the US Commission of Fine Arts. In 2008 13 non-federal institutions received NCACAP grants totaling \$5m. Berlin also receives a similar transfer of federal funds (€10m) to support local institutions under its Capital Culture Grants program.

There is also evidence of federal sub-granting through regional bodies which identify the capital or metro area of the capital as a distinct and separate region including DC, Canberra and Helsinki. There is evidence of shared costs such as the Helsinki City Theatre where municipal and federal operating subsidies are equitable. In general, the research indicates more incidents of federal-local *fusions* than is currently the norm in Ottawa.

Local Arts and Culture Presence

As Table 12 illustrates, there is clear evidence of municipal ownership in the provision and operation of a diverse range of arts venues to advance resident, professional artists and arts groups. The majority of these venues are centrally located in proximity to the capital's federal venues and attractions. Most performing arts venues accommodate resident companies. For instance, the City of Berlin operates three opera houses to accommodate a roster of local opera companies and the Berlin State Ballet. DC's Harman Arts Center is home to the local Shakespeare Theatre Company and Helsinki's Finlandia Concert Hall accommodates two local opera companies.

In Washington DC, major performance venues are largely operated by non-profit societies while in other capitals local governments assume a lead role in the building and operating of these venues. There are venues for all types of activities from large, professional venues (opera houses and concert halls) to more intimate spaces (studio theatres and workshops) to multi-purpose amenities for community or neighbourhood activities.

ANALYSIS

- **Despite differences in history, geography and governance structures, common ground was found in the range of facilities, programs and services offered at the local level.**

In general, we were surprised to see across the board similarities in terms of the diverse function areas of each capital's local arts authority.

- **Comparatively speaking, professional artists and arts groups were better accommodated in other capitals.**

This analysis also includes Canberra which is approximately a third the size of Ottawa in population. In general, local governments have taken a lead role in the development and management of arts facilities.

- **Other capitals also appeared to have more collaborative relationships between federal and local stakeholders.**

Multiple instances of federal sub-granting initiatives speak to a level of trust and respect of local knowledge and expertise by senior levels of government. Comparatively speaking, this dynamic is particularly wanting in Ottawa.

- **In general, there was evidence of responsive and supportive measures for local arts and culture despite high concentrations of federal cultural institutions.**

In short, a heavy federal presence did not negate nor impede investment and support of local arts and culture features, venues and attractions. There appears to be an intrinsic understanding and appreciation that a capital city is at its best when it balances its stately fare with more vibrant and intimate offerings.

In terms of accommodation, these findings coupled with our national inventory illustrate Ottawa's neglect in this critical area of support. These findings lead us to believe that there is a serious lack of understanding among City policy and decision makers that local arts and culture will not advance, but experience further decline, if this particular barrier is not addressed.

Selected Practices of Interest

In addition to our ability to draw comparisons between Ottawa’s local arts experience with capitals elsewhere, we were able to identify several practices of interest which warrant further investigation. These practices of interest fall within three topic areas, namely: arts investment strategies; support or developmental services; types of arts facilities and venues including cultural districts. More details on the following practices can be found under individual capital profiles presented in the next section (3.2) of this report.

Common Areas of Support	Capital City	Identified Practices – Venues
INVESTMENT STRATEGIES	Washington DC	National Capital Arts and Cultural Affairs Program: Annual federal grants to major, non-federal arts institutions in DC.
	Helsinki	Arts Council of Finland Regional Sub-Granting Program: Annual federal grants to support local artist involving artists in the process.
	Berlin	Berlin’s Arts Advancement Program: Suite of development grants, scholarships, awards and exchanges for local artists and organizations.
	Berlin	Capital Culture Fund: Annual federal sub-granting process for local arts benefit.
DEVELOPMENT SERVICES	DC	1) Cultural Development Corporation: Diverse services including accommodation and capacity development. 2) Cultural Tourism DC: local alternative to Capitol focused tourism.
	Berlin	Cultural Projects Berlin: Centralized events planning, funding and promotion agency focused on making capital vibrant and advancing Berlin’s ‘hot spot’ status for creativity.
	Helsinki	Art Hub: Region-linked artist/organizational development network.
LOCAL ARTS VENUES & DISTRICTS	DC	DC Studio Theatre: Complex with four small theatre spaces for innovative contemporary productions including developmental initiatives to support local, professional productions.
	Canberra	1) Civic Square Arts Precinct: High profiled local presence integrated within the capital’s design. 2) Glassworks Studio: Highly specialized work space linked to existing University program. Developed to accommodate new professionals and advance local craft industry.
	Berlin	Kulturforum: Redevelopment plans to improve one of Berlin’s major Cultural Districts by local government.
	Prague	DOX Centre for Contemporary Art: Re-purposed and expanded industrial site – advancing local artists with international focus/connection.
	Helsinki	1) Helsinki Music Centre: state of the art music – concert hall complex – under construction - replace existing Finlandia Hall 2) Harakka Island Artist Studios: repurposed military compound

3.2. NATIONAL CAPITALS SUMMARY REPORT

A. WASHINGTON, DC

A PLANNED CAPITAL FOR THE NEW WORLD

I. GENERAL

Population 2009	<ul style="list-style-type: none"> • District: 596,657 • Washington Metro Area: 5.3m • US: 307 million • 9th largest Metropolitan Area in US
Diversity 2008 Census	<ul style="list-style-type: none"> • 55.6% African American • 36.3% Caucasian • 4.8% "Other" • 3.1% Asian • 1.6% "Mixed" • 0.2% American Indian • Hispanics of all races make up 8.3% of the District's population. • An estimated 74,000 of the District's population are foreign immigrants with the largest concentrations coming from El Salvador, Vietnam and Ethiopia.
Age	<ul style="list-style-type: none"> • Under 5 years: 6% • 18 years and over: 81% • 65 years and over: 12% • Median age: 35 yrs.

II. HISTORY

The area surrounding Washington, DC was first inhabited by an Algonquin tribe known as the Nacotchtank. By the 18th century, most of the indigenous population had relocated due to increasing numbers of European settlers. Cities and towns began developing in the area such as Alexandria, Virginia in 1749 and Georgetown, Maryland in 1751. Nationhood followed in 1777. By 1790, through an act of Congress, a capital city was established on a site selected by then President Washington. By 1791, this new city was named in honour of the President and the surrounding district was named the Territory of Columbia.

The District of Columbia was established in 1801, placing the entire federal territory including the cities of Washington, Georgetown and Alexandria under the control of Congress. The District subsequently altered its boundaries and divided the area into two counties: the County of Washington to the east of the Potomac River and the County of Alexandria to the west.

The US Congress continues to hold supreme authority over the District and has the power to overturn local laws established by the District's City Council. District residents are unique in that they have less self-governance than other US residents. Congressional representation exists but in a non-voting capacity and there is no representation within the Senate. The ability to vote in presidential elections came later, with an amendment to the Constitution in 1961.

III. GOVERNANCE

Local

Government of the District of Columbia

- In 1973, Congress enacted the District of Columbia Home Rule Act, providing for elected representation at the local level. The District City Council consists of elected representatives including Mayor and 13 Ward Councillors. There are also 37 Advisory Neighbourhood Commissions elected in designated areas within the District.

Metro Area

Council of Governments

- The Washington Metropolitan Area includes DC and also encompasses areas of Virginia, West Virginia and Maryland. This area is also referred to as the National Capital Region (NCR). The WMA consists of 21 local governments and is the ninth largest metropolitan area in the country. The WMA is the most educated and affluent metropolitan area in the United States.
- The Metro Area is also served by a region-based Council of Governments or COG. Established in 1957 as a non-profit agency, the COG provides a forum for region-wide action in shared policy areas such as: environment, affordable housing, economic development, health and family concerns, human services, population growth, public safety, and transportation.

Federal

The National Capital Region

There are several federal departments and agencies holding different responsibilities within the NCR. Key agencies contributing to the nation's cultural narrative include:

- **Architect of the Capitol (AOC)** is mandated to oversee specific national icons and treasures in relation to Capitol Hill including the Capitol building, Capitol Visitor Center, Senate Office Buildings, House Office Buildings, Supreme Court, Library of Congress, US Botanic Garden and Capitol Campus grounds. Predecessors of the AC have been in existence since 1793.
- **The US National Park Service (NPS)** is mandated to oversee several important landmarks including the National Mall and memorial and other historical parks including the Washington Monument and Lincoln Memorial. The NPS is also responsible for several historic buildings and grounds including the White House and Ford's Theatre.
- **National Capital Planning Commission (NCPC)** was first established as the National Capital Park Commission in 1924 as a means of acquiring and preserving green spaces along the Potomac and Anacostia Rivers. In 1926, Congress broadened the Commission's responsibilities to include comprehensive planning for the Washington region. Adoption of the Home Rule Act in 1973 allowed for the newly assembled District Council to assume local planning responsibilities from the Commission. However, the commission remains the planning authority of federally owned land and buildings in the region.
- **US Commission of Fine Arts (CFA)** was established in 1910 as the Council of Fine Arts. The original

mandate of the Council was to serve as an expert advisory panel to review and provide advice on the design and aesthetics involved in the planning of the capital including matters involving the development of memorial sites and historic preservation. In 1985 Congress established the National Capital Arts and Cultural Affairs Program, a funding program to benefit non-profit cultural entities whose primary purpose is to provide Washington with diverse arts presentations. While the program was initially administered by the National Endowment for the Humanities, it was transferred over to the CFA in 1987. In 2009, the NCACA program allocated \$10m to over 20 major arts organizations; a mix of local and national institutions.

- **Smithsonian Institution (SI)** was established by an act of Congress in 1846 and is comprised of 19 museums and 9 research centres; primarily based within the NCR. The Smithsonian is the world’s largest museum and research complex. Annual federal appropriations account for 60% of the Institution’s \$1b budget.

The largest landowners within the District are: the US Department of National Defense, the General Services Administration and the Department of the Interior which includes the National Parks Service.

III. FEDERAL CULTURAL PRESENCE

In addition to the high concentration of historic and memorial sites, institutional buildings and complexes, the DC area has a sizeable inventory of fine art and historical treasures in addition to a national performing arts centre. The following institutions are categorized as bona fide federal cultural attractions as they receive annual appropriations from Congress similar to Crown institutions in Canada.

- Smithsonian Institution: DC-based Museums and Art Galleries
 - National Air and Space Museum
 - National Children's Museum
 - National Museum of the American Indian
 - National Museum of Natural History
 - American Art Museum
 - National Portrait Gallery
 - Freer Art Gallery
 - Ripley Centre
 - National Building Museum
 - National Museum of African Art
 - National Museum of American History
 - National Postal Museum
 - Hirshhorn Art Gallery
 - Renwick Gallery
 - Sackler Gallery
 - Anacostia Community Museum
- National Gallery of Art (FY 2009: \$123m)
- Kennedy Centre for the Performing Arts (\$86m)
- Kennedy Centre Affiliate: National Symphony Orchestra (\$27m)

IV. LOCAL ARTS AND CULTURE PRESENCE

DC is also regarded as one of the nation’s leading arts capitals with a large and diverse arts community. The home of jazz and theatre icons such as Duke Ellington and actress Helen Hayes, DC has a well established reputation as an important centre for music and live theatre. It is also home to the Corcoran Gallery of Art (1859), DC’s oldest and largest non-federal art gallery. The Gallery’s collection features the works of American Masters but also includes works from other masters such as Degas, Delacroix, Monet, Picasso and Renoir.

Local Arts Authority and Support Agencies

- **DC Commission for the Arts & Humanities (DCCAH)** serves as the local arts authority for the District. The DCCAH operates as both a municipal and state arts authority. Functions of the Commission include:

- DC Government Grants Program
- Arts Programs and Special Events
- Annual Mayor’s Arts Awards
- Public Art & Art Bank Programs
- Arts Learning & Outreach Initiatives

In 2009, the DCCAH annual operating budget was \$14m; roughly 80% of these funds were designated for grant giving purposes. 2009 contribution represent two types of funding: \$8m base operating funds and the remaining \$6m is identified as non-recurring or “ear-marked” funding.

- **National Capital Arts and Cultural Affairs Program (NCACA)** is a Congress sponsored grants program largely dedicated to major arts institutions with operating budgets of \$1m or more. Established in 1985 the Program administers funds annually to approximately 20-25 organizations all residing within the DC District. Agencies supported appear to be a blend of federally supported institutions and high calibre non-profit institutions. A few federal institutions receive annual funding from the Program including: the Kennedy Centre, the Symphony and several of the Smithsonian museums. In FY 2009 the Commission allocated approximately \$10m. Non-federal arts organizations receiving grants include:

- Washington Ballet
- Woolly Mammoth Theatre
- Folgers Shakespeare Library
- Textile Museum
- Corcoran Gallery
- Choral Arts Society
- Washington Opera
- Shakespeare Theatre
- Studio Theatre
- Phillip’s Collection
- Washington Performing Arts Society
- Thelonious Monk Institute of Jazz

Unlike DCCAH, the NCACA’s grants program does not undergo peer assessment review but rather, funds are earmarked by the Commission to specific organizations. This is subject to change by 2011.

- **Cultural Tourism DC** links 185 arts, heritage, cultural, and community organizations in all wards of the District with partners in tourism, hospitality, government, and business. The agency offers several walking trails with podcasts designed to draw tourist off the beaten path (National Mall area) and into city neighbourhoods to experience authentic DC culture.

Metro Area

- **Cultural Development Corporation** provides a range of support services to local arts groups including: 1) affordable work spaces for groups and creative enterprises; 2) facility planning expertise –business plan development; 3) business centre for capacity building and development; 4) advocate for capital investment; and 5) real estate broker/development service.

- **DC Advocate for the Arts (DCAA)** is a local advocacy leadership group supporting the District arts community. DCAA conducts research, track arts issues, participate in public policy/arts policy discussions, and provide arts advocacy tools for the community. DCAA also stages an annual Arts Advocacy Day event.
- **Cultural Alliance of Greater Washington (CAGW)** is a member-based, service organization delivering a broad range of support services including professional development, marketing and promotion. Services offered include: “CultureCapital.com” website; community box office; professional development workshops; group health insurance, research and resources.

Other

- **National Endowment for the Arts (NEA)** serves as the nation’s arts authority. Through federal appropriations the agency allocates grants to artists, arts organizations, regional arts foundations and local arts agencies. Given that the DCAH also serves as a “state” arts agency, the NEA is mandated to provide annual support (formula based allocations). The District’s allocation for FY2009 was \$1m.

While the NEA serves as the leading arts agencies in the US, the national arts support system is rather decentralized in contrast to Canadian or European state support models. There are reportedly ten additional federal departments and agencies that offer investment opportunities for local arts development including the Department of Housing and Urban Development, the National Parks Services, and National Tourism Agency.

- **Mid-Atlantic Arts Foundation (MAAF)** is one of six regional arts agencies serving multiple state areas in the US. Established in 1979, the Foundation serves the states and territories of Delaware, the District of Columbia, Maryland, New York, Pennsylvania, the US Virgin Island, Virginia and West Virginia.

Regional arts foundations work in partnership with the NEA and State Arts Agencies in the delivery specific funding programs to advance regional and international presentation, touring and exchange opportunities for area artists and arts organizations. The MAAF also provides direct support to artists through fellowships, awards and artist in residency programs. In FY2007, the Foundation reported an operating budget of \$8.5m.

DC Venues for Local Presentation

The following represents a brief listing of major arts venues within the District. The majority are non-profit registered organizations:

- Atlas Performing Arts Center
- DAR Concert Hall
- The National Theatre
- The Studio Theatre
- GALA Hispanic Theatre
- Harman Center for the Arts
- Mead Center for American Theatre
- Folgers Shakespeare Library
- Corcoran Art Gallery
- Kreeger Art Museum
- Textile Museum

Highlighted Venue: The Studio Theatre

The Studio Theatre, DC's artist-run centre for innovative, contemporary theatre was first established as a single stage venue at its current site in 1987. Successive expansions have brought an additional three performance spaces. The complex currently houses: 1) three thrust stage theatres, one of which seats 'in the round' 2) "Stage 4" is a black box concept with no fixed seating. Each space accommodates approximately 200 people.

The Theatre is adjacent to Dupont Circle and serves as a flagship for what is known as the "Studio District", a revitalized, former industrial area within the urban core of DC. In addition to staging numerous new works throughout the season, the theatre also provides: year-long apprenticeships with "Studio 2ndStage" (Stage 4); training through an Acting Conservatory; and, youth outreach programming in the community. The Studio Theatre receives annual grants from both the local Arts Commission and the federal National Capital Arts and Cultural Affairs Program in addition to other government grants.

Local Festivals

DC plays host to numerous arts and cultural festivals ranging from disciplined base arts fare to multicultural celebrations. Local funding through the Commission and the District government has gone to support approximately 16 local festivals including: the Jazz Festival, Dance Festival, International Film Festival, the Kennedy Centre Annual Opera House Arts Festival, and Artomatic (Visual Arts).

Recent Developments

In response to the global economic crisis, the Obama Administration ushered in an austerity budget, post stimulus spending of the previous year. While the arts have not been immune to spending cuts, these reductions have not been in the extreme. For instance, the National Endowment for the Arts did not incur cutbacks in FY2010 but a reduction of \$6m has been put forward for FY2011.

However, the National Capital Arts and Cultural Affairs Program had its federal appropriations reduced by 50% or \$5m; essentially withdrawing allocations earmarked for national institutions. This adjustment has been justified as a means of eliminating historic funding practices in favor of an adjudicated process based on demonstrated need and merits of applicants. The Commission of Fine Arts was further instructed to establish a competitive funding process in advance of the next allocation exercise.

Locally, DC's Arts Commission received a similar reduction in their annual budget. The Commission's FY2010 is reportedly in the area of \$7m for operating and \$2.7m for capital initiatives including the public art program. These spending cuts appear to be rationalized as an accumulation of earmark types of allocations over recent years. While earmarks are typically introduced by City Council members during the budget review process, it is a provision associated with one-time, non-recurring contributions and not annual or base budget spending.

Recent media reports address controversies arising from DC Council practices in regards to 'out of control' earmark expenditures for broad community benefit. In response, local arts advocacy groups have taken up the cause to see past funding levels restored. In the meantime, artists and arts organizations are reeling from across the board losses from traditional sources of revenue.

B. CANBERRA

A Planned Capital for the 20th Century

I. GENERAL

Population 2008	<ul style="list-style-type: none"> • Canberra ACT population: 345,000 • Australia population: 22m • 8th largest city in Australia
Diversity 2006 Census	<ul style="list-style-type: none"> • 21.7% were born overseas, led by UK and New Zealand • 1.2% are Indigenous peoples • Non-English speaking immigrants largely come from China, India and Vietnam. • Locals are native speakers of English (81%); other common second languages include Mandarin, Italian, Vietnamese, Cantonese and Greek.
Age	<ul style="list-style-type: none"> • Relatively young population base; highly mobile and well educated. The median age is 34 years, and only 9.8% of the population is aged over 65 years. • 30% of ACT residents (15–64 yrs) had an educational equivalent of a B.A.; significantly higher than the national average of 19%.

II. HISTORY

Prior to European settlement, the Canberra area was seasonally inhabited by Indigenous peoples known as the Ngunnawal. There is archaeological evidence of human habitation in the area dating back 21,000 years. "Canberra" is derived from the word *Kanbarra* meaning "meeting place" in the old Ngunnawal language. European settlements began in the 1820's and slowly grew throughout the 19th century. Conversely, the indigenous population dwindled mainly due to the introduction of diseases such as smallpox and measles.

In the late 19th century, Australians sought their independence from British rule. With the development of nationhood at the turn of the century, came the need to establish a national capital. Debate ensued for a long period of time as to which of Australia's two largest (Sydney or Melbourne) would become the new nation's capital.

The site of Canberra in the rural area of New South Wales was selected for the location of the nation's capital in 1908 as a compromise between the rival cities of Sydney and Melbourne. The newly formed government staged an international contest for the city's design which was won by Chicago architect Walter Burley Griffin. Construction of the new capital commenced in 1913.

Canberra accommodates the legislative, judicial and executive arms of the Australian government. The federal government contributes the largest percentage of Gross State Product and is the largest single employer in the ACT.

III. Governance

Local

Government of the Australia Capital Territory (ACT)

Canberra is governed by a Territory Legislative Assembly which performs dual roles as city council and territory government. The assembly consists of 17 members, elected from three districts using proportional representation. The Chief Minister is elected by the Members of the Legislative Assembly (MLA) and selects four colleagues to serve as the Executive or “Cabinet”.

The territory’s urban areas are organized into a hierarchy of districts, town centres, group centres, local suburbs as well as other industrial areas and villages. There are seven residential districts, each of which is divided into smaller suburbs, and most of which have a town centre which is the focus of commercial and social activities. Canberra Central is the largest and most historic district within the ACT.

Development in Canberra is closely regulated by government. ACT lands are held on 99 year crown leases from the federal government but largely administered by the Territory government.

Capital Region

National Capital Authority

The Australian federal government retains some influence over the ACT through the actions of the National Capital Authority (NCA). The NCA is responsible for planning and development in areas of Canberra which are considered to be of national importance or central to the capital’s original master plan including:

- the Parliamentary Triangle (Precinct)
- green/memorial spaces such as Lake Burley Griffin
- major approach and processional roads
- areas where the Commonwealth retains ownership of the land (Canberra Nature Park)

The national government also retains a level of control over the Territory Assembly through the provisions of the Australian Capital Territory Act 1988. This federal act defines the legislative power of the ACT Assembly.

IV. FEDERAL CULTURAL PRESENCE

Canberra is home to many national monuments and institutions similar to Ottawa. Again, similar to Ottawa, these institutions largely fall in the domain of the lead cultural ministry. In this case, these institutions fall under the responsibility of the Australian Department of Environment, Water, Heritage and the Arts. The following national cultural institutions are based in Canberra:

- | | |
|-----------------------------|-----------------------------------|
| • National Museum | • National Gallery of Australia |
| • National Portrait Gallery | • National Archives |
| • National Library | • National Film and Sound Archive |

Completed in 2008, the National Portrait Gallery represents the most recent addition within an established Parliamentary Precinct. Project costs are estimated in the area of \$75m. The Gallery currently houses a permanent collection of over 400 portraiture works of art.

V. LOCAL ARTS AND CULTURE PRESENCE

Local Arts Authority and Support Agencies

- **Arts ACT**

The Territory's cultural mandate falls within the Chief Minister's department. Arts ACT serves as the lead arts authority within the Capital Territory. The ACT Cultural Council serves as the ACT government's principal arts advisory body. The Council provides advice in relation to the Government's identified key priorities for the arts including recommendations for funding through the ACT Arts Fund.

Function Areas

- Arts Fund Management: Grants, Awards
- Support to Key Arts Organizations
- Community Arts Outreach
- Public Art Program
- Facility Management
- Regional Arts Funds Management

ACT's operating estimates were reported as AU\$12m for FY2009. Over \$5m in capital funds was allocated for per cent for art public art commissions and an additional \$1m for other public art initiatives.

- **Cultural Facilities Corporation**

Facility management is a shared responsibility with the Cultural Facilities Corporation (CFC) The CFC, established in 1997, is a statutory authority established under a separate incorporation act. The CFC manages several major venues within central Canberra as well as several historic properties located throughout the Territory.

The Corporation is organized into two program delivery sections, the Canberra Theatre Centre and ACT Museums and Galleries, together with a central finance/corporate section. The Corporation's 2009 Operating Budget was \$14.8m, 50% sourced from the ACT government.

- **Events Canberra, Chief Minister's Department**

The ACT Chief Minister's Department delivers a suite of special events including the Canberra Festival and New Years Eve in the City. It also administers a festival fund to support for other local-based festivals including the International Music Festival, Film Festival and Multicultural Festival.

Other Support Agencies

Local: Canberra Arts Marketing

- Canberra Arts Marketing (CAM) is a consortium of the Canberra region's arts organizations. CAM carries out a range of activities to develop new audiences, build on existing ones and to improve the marketing and business skills of those working in the arts industry. Primary function areas include advocacy, cooperative marketing, professional development and consultancy service.

Established in 1993, CAM has over 125 member organizations and is largely dependent on federal/regional grants for support in addition to revenue generation and corporate sponsorships. Services provided to membership include:

- bi-monthly electronic broadcasting of local arts events distributed to over 500 locations including hotels and accommodation houses, tourism organizations, local and interstate media. There is also a widely promoted telephone hotline service with daily listing of events.
 - bi-monthly electronic membership newsletter.
 - coordination of advertising discounts and special rates for mainstream and community media outlets.
 - coordination of arts supplements (newspaper inserts) and quarterly run-ons. Represents the interests of the arts community to government, business and tourism stakeholders.
 - offers professional development workshops focusing on marketing/capacity building and hosts monthly evening seminars to discuss hot topics affecting the arts
 - consultancy services are also provided to members to assist with individual projects and access to onsite resource centre.
- **Capital Arts Patrons Organization**

Established in 1983, the Capital Arts Patrons Organization or CAPO is a unique non-profit fund raising body dedicated to raising money for distribution to Canberra's arts community through established fellowships and grants programs. Since its inception, CAPO has distributed close to \$2m in arts fellowships and grants with support from the Canberra arts and business communities.

- **Federal: Sub-Granting Regional Program for Local Arts Development**

Australia's Department of Environment, Water, Heritage and the Arts is responsible for the Regional Arts Fund (RAF), a dedicated annual federal allocation delivered by major regional arts organization in each state, and by arts departments in the territories including: Arts ACT (Capital), Arts NT (Northern Territory), Country Arts SA (South Australia), Country Arts WA (West Australia), Queensland Arts Council, Regional Arts NSW (New South Wales), Regional Arts Victoria, and Tasmanian Regional Arts. In FY2008, Canberra received an allocation of \$205,000 for local distribution.

The RAF Program provides support for professional development of artists based in regional areas. A key focus is to encourage the formation of productive partnerships to support home-grown arts activities and the creation of networks to reduce isolation, exchange ideas and publicize opportunities. With RAF support, professional artists provide workshops and collaborate with community participants on a wide range of creative projects. FY2009 departmental estimates show a program commitment of \$11.8m for the next four years.

LOCAL ARTS AND CULTURE PRESENCE

Again, despite the size of Canberra, it is interesting to note the range and diversity of both professional and community arts venues offered by the ACT government. These facilities are managed by two local bodies: 1) major venues operate under the Cultural Facilities Corporation organization and 2) a mix of arts venues operate through the local arts agency. A breakdown of managed facilities follows:

Major Arts Venues

ACT's Cultural Facilities Corporation oversees the management of several major venues in Canberra including:

- Canberra Theatre Centre
- Canberra Museum and Gallery
- Three historic sites
- The Nolan Art Gallery
- Civic Square Cultural Precinct

Mixed Range of Spaces

Arts ACT, the local arts authority, oversees the operation of 12 facilities that are wholly dedicated to arts activity. These facilities and the activities they support foster innovation in the arts; provide opportunities for artists and non-artists to participate in the arts; and nurture community cultural development.

- Ainslie Arts Centre
- Canberra Contemporary Art Space
- Gorman House Arts Centre
- Nissen Hut Store
- The Street Theatre
- Tuggeranong Arts Centre
- Belconnen Arts Centre
- Canberra Glassworks
- Manuka Arts Centre
- Strathnairn
- Theatre 3
- Watson Arts Centre

Highlighted Venue: Canberra Glassworks

Canberra Glassworks, established in 2005, is located in an historic former power station built in 1913; the City's oldest building. Built and funded by the Canberra government, the Glassworks facility is wholly dedicated to advancing local artisans at a national and international level. The work space is closely connected to the Glass Workshop program offered at the Australia National University (ANU) also situated in Canberra.

The Glassworks was created as a means of retaining and advancing graduates from the ANU program who would typically relocate and establish themselves elsewhere due to the lack of local infrastructure. The centre provides graduates with access to specialist facilities and equipment essential for glass making, particularly large-scale kiln forming and glass blowing. The work space also offers intensive workshops taught by leading glass artists; studios and mentorship programs.

Civic Square Cultural Precinct

Established in 1961 as part of an integrated “axis” design for the capital, Civic Square represents a stately precinct for the local Canberra government including:

- Australian Capital Territory Legislative Assembly
- Canberra Museum and Gallery
- Civic Library
- Canberra Theatre

The Square accommodates a number of other local cultural organizations and festival events. The Square, as noted above falls under the jurisdiction of ACT’s Cultural Facilities Corporation, in terms of cultural use planning, community access for events, and maintenance.

Recent Developments

Arts ACT’s most recent arts plan expired in 2008. The Chief Minister’s Department is currently undertaking a comprehensive review of its existing arts programs. The review will consider the overall effectiveness of current support mechanisms for the arts as well as explore best practices found locally and abroad.

Local Festivals

As noted above, the Chief Minister’s Department of the Territory’s government delivers a suite of festivals as well disburse grants through the ACT Festival Fund. Canberra’s most notable festivals include:

- Canberra Festival
- Canberra Nara Candle Festival
- Groovin’ in the City
- Celebrate in the Park

Plans are currently underway for Canberra’s centennial celebration as Australia’s capital city in 2013.

C. BERLIN

International Capital of Arts & Culture

I. General

Population 2009	<ul style="list-style-type: none"> • Berlin: 3.4m • Berlin-Brandenburg Capital Region: 6m • Federal Republic of Germany: 82m • Berlin is the largest city in the FRG
Diversity 2008	<ul style="list-style-type: none"> • 473,000 residents are non-German citizens representing over 195 countries • 113,000 residents are Turkish.
Age	<ul style="list-style-type: none"> • 790,000 residents are under the age of 25 (23.2%)

II. HISTORY

Established in the 13th century as a trading post on the banks of the Spree River, the City of Berlin experienced cycles of growth and stability and periods of war and unrest over its first five centuries. As Berlin edged toward the beginning of the 18th century, King Friedrich I and his wife Sophie-Charlotte presided over a court that welcomed advancement of the arts and sciences. The city's population of 56,000 in 1710 made it one of the largest cities in the Holy Roman Empire.

Over the next century two successive rulers built military strength and undertook a grand architectural master plan that gave Berlin the State Opera House, palaces and other major attractions. During this age of enlightenment Berlin was transformed into a great cultural centre and was referred to as the 'Athens on the Spree'.

Napoleon's two-year occupation of Berlin began in October 1806. As the French moved on, leading residents began to question the rights of the nobility and became part of the reform movement that was sweeping through Europe. The advance of the Industrial Revolution resulted in the building of hundreds of factories, advanced rail systems and a swelling population.

Otto von Bismarck became the Prussian Prime Minister in 1862, and within a decade he fulfilled his ambition to create a unified country with Berlin as the capital of the German Reich.

Following WWI, came the end of the German monarchy, years of political instability, the economic depression and the rise of Adolf Hitler and the Third Reich. Hitler's power as a dictator was swift and his culture of terror spread beyond the borders of Germany. It was 1939, and the world was at war again. Millions would perish.

The Battle of Berlin ended on May 2, 1945, and WWII came to an end six days later. Huge areas of Berlin were in ruin and years of clearing rubble and re-building lay ahead. The occupation forces split the city into four zones controlled by the Americans, British, French and the USSR. A number of tensions and

disagreements ensured. In 1949, Germany was formally divided. The Soviet zone grew into the German Democratic Republic (GDR) and the western zone became the Federal Republic of Germany (FRG).

The western allies moved toward re-building the West German economy and saw growth of 80% between 1951 and 1961. In East Germany, the economy remained flat. Many, who lived in the eastern half of the city, worked in the western half. An exodus began to take place, and the GDR's solution was to build a wall and restrict movement. The wall remained for 28 years, and fell on November 9, 1989.

Following reunification in 1990, Berlin was established as the German Capital, and the seat of government in 1999.

III. GOVERNANCE

Local Structure

- **City State Government of Berlin - *Land Berlin***

Berlin is one of three city-states among the sixteen states (Lands) of the Federal Republic of Germany (FRG). The city and state parliament is the House of Representatives which currently has 149 seats. Berlin's executive body is the Senate of Berlin. The Senate of Berlin consists of the Governing Mayor (and Lord Mayor of the City) and up to eight senators holding separate and distinct ministerial positions.

- The City/State of Berlin is divided into 12 administrative boroughs. Each borough is governed by a Borough Council consisting of five Councilors and a Borough Mayor. The Borough Council is elected by a Borough Assembly. The boroughs of Berlin are not independent municipalities but subordinate to the Senate of Berlin. There is a Council of Mayors led by the city's Governing Mayor, which advises the Senate.

- **Federal – Local Partnership: Capital Culture Contract³⁶**

Towards a Unified Berlin

In the early nineties, the *Bundestag* (German Parliament), the *Bundesrat* (Council made up of representatives from the 16 state governments) and the *Bundesregierung* (Federal Government) all relocated to Germany's new capital city Berlin from the former capital of Bonn. These actions helped to underscore the significance of the new capital and led to a growing commitment on the part of the Federal government to support cultural life in the city.

In this context, a "Capital Culture Contract" was signed between the Federal Government and the *Land Berlin* which specifies areas of investment and support, namely:

- the uploading several of cultural institutions formerly administered by the Berlin government including Museum Island, the Jewish Museum, and Berlin's Academy of Arts;

³⁶ Sourced: <http://www.culturalpolicies.net/web/germany.php>

- provide funding and support to cultural festivals and events through a consolidated events – promotion management organization: Kulturprojekte Berlin (Berlin Cultural Projects);
- direct financial support for the newly consolidated Berlin Opera Foundation (2006);
- a special cultural fund of €400 million was established by Parliament, from which €200 million was allocated towards the renovation of the Berlin State Opera, one of three opera houses operated by the Berlin Opera Foundation.
- the creation of the Capital Culture Fund which operates as a sub-granting program managed by the Berlin government. The Capital Culture Fund (*Hauptstadtkulturfonds*) was established to support major arts events and institutions in Berlin. In 2010, over €10m was distributed to 129 eligible arts/festival organizations, festivals and projects

A new Capital City Finance Contract (Hauptstadtfinanzierungsvertrag) between the Federal Republic and Berlin came into force in 2008; providing the continuation of current levels of federal support until December, 2017.

III. FEDERAL CULTURAL PRESENCE

- **Prussian Heritage Cultural Foundation - *Stiftung Preußischer Kulturbesitz***

Shared Responsibility

The Prussian Cultural Heritage Foundation (PCHF) was established after the fall of the Third Reich (1957) with the mission to protect the cultural legacy of the former pre-war state of Prussia. As a result of German reunification³⁷ and the acquisition of additional assets within Berlin, the PCHF stands as one of the largest cultural institutions in the world. Its portfolio now includes 22 museums, the Berlin State Library, the Privy State Archives, and several other collections and archives. The Foundation is governed by a Foundation Council, composed of representatives from the Federal Government and the sixteen states of the nation. An Advisory Committee with fifteen members representing relevant academic disciplines serves as the Foundation's body of experts.

The foundation receives the majority of its funding (75%) from the German federal government with contributions in part (25%) from all sixteen German states. The total budget for 2009 was over €250m with approximately 60% allocated towards operating expenditures and remaining funds committed to administration and capital investments.

The Foundation's museum portfolio includes:

- | | |
|-------------------------------------|---|
| • Museum for Pre- and Early History | • Altes and Neues Museums (new and old) |
| • Pergamon Museum | • Old and New National Galleries |
| • Museum of Photography | • Bode Museum |
| • Museum Berggruen | • Museum of Decorative Arts |
| • Ibero-American Institute | • Museum of European Cultures |

³⁷ United Germany is now referred to as the Federal Republic of Germany (FRG).

- **Museum Island – Complex** *Museumsinsel*

“Museum Island” or Complex is located on an island in the Spree River within the Mitte (middle) district of central Berlin. The complex consists of five internationally renowned museums managed by the Prussian Cultural Heritage Foundation including:

- Altes Museum (Old Museum) built in 1839
- Neues Museum (New Museum) built in 1859 currently housing the Egyptian Museum of Berlin (reopened in 2009)
- Alte Nationalgalerie (Old National Gallery) built in 1876, hosting a collection of 19th century art donated by banker Joachim H. W. Wagener
- Bode Museum built in 1904 to exhibit the sculpture collections and late Antique and Byzantine art
- Pergamon Museum built in 1930 containing multiple reconstructed structures of historic significance such as the Pergamon Altar and the Ishtar Gate of Babylon.

In 1999, the museum complex was added to the UNESCO list of World Heritage Sites.

IV. LOCAL ARTS AND CULTURE PRESENCE

Local Arts Authority and Support Agencies

- **Berlin Senate Chancellery for Cultural Affairs**

In 2007, the Berlin government contributed €470 million and the federal government provided €545 million in “blended” funding to support the City’s culture. Approximately 85% of the budget is dedicated to the support of Berlin’s major arts institutions including operas (25%), theatres, ballets and symphonies. The remaining funds are largely focused on non-institutional types of support such as events, projects, scholarships and exchange fellowships.

The Governing Mayor’s office holds the mandate for local arts and culture and operates its services through the Senate Chancellery for Cultural Affairs. The Chancellery as such, serves as the lead cultural authority for the city responsible for arts, libraries and archives. It also is responsible for administering the federal capital cultural funds. Services focused on advancing local artists and organizations include:

- Management of Grants, Scholarships
- Capital Culture Investment Fund (Grants)
- Web Portal: “Creative City Berlin”
- Discount Promotion: “Three Euro” Tickets
- Public Art Program
- Cultural Education
- Facilities Management

- **Arts Grants: Blend of Local and Federal Sub-Granting Programs**

In addition to managing and allocating federal monies through the Capital Culture Investment Fund (€10m/year), the Berlin government offers a suite (27) of juried project grants and scholarships under an “Advancement Program”. Funds are allocated under the following categories: Fine Arts, Performing Arts, Music, Literature, International Cultural Exchanges and Intercultural Projects. The Capital Culture Fund is separately administered twice annually. The program offers a diverse range of scholarships and cultural exchange fellowships for the advancement of local artists internationally. The program administers funding in the area of €20m per year. Recent reports indicate planned increases to the budget over the next few years. The Capital Culture Fund does not replace other forms of federal funding to local arts such as the Federal Cultural Foundation or the German Lottery Foundation.

- **Berlin Opera Foundation**

In 2003, the Berlin Opera Foundation was established by the Chancellery to consolidate the operations of the City’s three opera houses under one roof: the Deutsche Oper, the Berlin State Opera, and the Komische Oper. Under the umbrella of the foundation, the opera houses, the Berlin State Ballet and a centralized stage service have been forced to work together. The Foundation offers the companies the opportunity to co-ordinate performance plans, find ways to save money and develop effective structures that respect artistic integrity. The financial allocation to the Foundation for 2004 was €113.6 million and scheduled to be gradually reduced to €96.8 million by 2009.

The State Opera house will undergo an extensive three-year restoration at a public cost of € 240 million. Once completed, the smaller *Komische Oper* will undergo its own three-year facility upgrade.

- **Cultural Projects Berlin** Kulturprojekte Berlin

Cultural Projects Berlin (CPB) is a not-for-profit centralized programming and service organization delivering a wide range of activities on behalf of the Berlin government. The organization is the result of a merger in 2006 involving two service organizations for museums and cultural events. In 2008, the Senate Chancellery reported an allocation of €5.4m to the CPB.

Function Areas

- Festivals/Events/Exhibits Management
- Publications (i.e., Museums Journal)
- Creative Berlin Portal (partnership)
- Cultural Education Programme (outreach)
- Guided Tours Network
- Festival funding and support

“Creative City Berlin” portal is one of two web portals developed by CPB. The portal was developed in collaboration with the Berlin’s Department for Economy, Technology, and Women and Cultural

Affairs department. The site was launched in 2008 and serves as a platform for information on Berlin's creative arts scene. The CPB is also responsible for the "Museumsportal Berlin".

- **Kulturforum** - Culture Forum (District)

Located in the heart of Berlin, the Kulturforum is one of the most important cultural districts in Germany, next to Museum Island. This cultural centre was established in former West Berlin during the 1950's and 60's in response to the once unified city's cultural assets that were lost behind the Berlin Wall. Twelve major cultural institutions are housed inside and around Kulturforum including the New National Gallery, the Philharmonie and Chamber Music Halls, the state library and the Gemäldegalerie Museum.

Berlin's Senate Department for Urban Development is largely responsible for the redevelopment of the area in cooperation with various architects and resident institutions. A new Master Plan was created and adopted in 2006. Although the project was stalled due to economic constraints, planned improvements appear to be moving forward in 2010 and will include additional cultural, retail and recreational features as well as aesthetic enhancements.

Multiple Features and Attraction of Berlin

The sheer diversity of features and attractions makes the renewed capital of Germany one of the leading cultural cities in the world including:

- 170 museums
- 300 private and public galleries
- 3 major opera houses
- 300 theatre groups - 50 theatre venues
- 7 symphony orchestras
- 15 chamber orchestras
- 3 experimental opera ensembles
- 850 choral groups

Berlin is also internationally recognized as a city of festivals, sponsored entirely by the federal government. Annual festivals include:

- Jazzfest
- Berlinale Film Festival
- Theatre Meeting
- Transmediale
- Berlin Festival Weeks
- Open-air Cinema
- Dance Festival
- Maerz Musik

German Capital Region: Berlin-Brandenburg

Land Berlin has partnered with Land Brandenburg in order to create a new region for economic development comparable to the Greater Toronto Area (GTA). Germany's city-states (Berlin is situated within Brandenburg State) are developing competitive strategies to attract new businesses to the area. The partnership optimizes Berlin as the seat of government together with a highly educated work force, and, established businesses in science and advanced technology. The German Capital Region (GCR)

optimizes its strategic location: between the older and newer democratic nations of Europe. The GCR's population is six million; larger than Belgium, Finland and many other European nations.

Additional Notes

The reunification of Germany in 1990 aspired to bring economic prosperity and growth and Berlin was expected to be a major beneficiary. Twenty years later, Berlin is struggling with an increasing debt and annual deficits. In 2007, the City of Berlin held a debt of €16,783 per inhabitant.

Individual artists are often critical of a funding system that distributes the vast majority of its arts investments to major institutions and performing arts companies. But, Berlin continues to attract artists from within Germany and abroad. Large resident student and artist population, low rents, affordable cost of living, under-developed public sites and a supportive municipal attitude, have created the conditions to allow artists to move to Berlin. Within this cultural density, artists have the opportunity to make connections, create networks, study, mentor, build collaborations and find inspiration for their work.

Berlin's financial situation teetered on the brink of municipal bankruptcy six years ago due to a banking scandal. In an effort to rein in spending government officials questioned the affordability of operating three opera houses, and threatened to close the Deutsche Opera, located in the former West Berlin. The public outcry was loud and alternatives were explored.

With respect to the recently established Berlin Opera Foundation, some Artistic Directors despise the new system and feel that it stifles creativity. There has however, been some good news such as record attendance figures, 81 opera productions and 470 performances in the 2009 season.

Recent economic reports indicate Berlin's creative industries account for more than 20% of the city's GDP. As such, these industries have now become one of the city's major development clusters. These contributions in addition to the lucrative nature of Berlin's cultural tourism have effectively made the case for increased investments by the City; which is reportedly set to increase its cultural spending 30% by 2011.³⁸

³⁸ Wolhert, T. (2009) "Particularly in Berlin" Cultural Policy in the Unified Capital

D. PRAGUE

CULTURAL CAPITAL OF CENTRAL EUROPE

I. GENERAL

Population 2008	<ul style="list-style-type: none"> Prague pop: 1.2m Metro Area pop. 2m Czech Republic pop. 10.3m
Diversity 2006	<ul style="list-style-type: none"> 45,061 are identified as immigrants with a significant number from Vietnam 38,801 are identified as emigrants 6,260 is the net migration
Age	N/A

II. HISTORY

A permanent community has existed in and around Prague since 4,000 BC. The Celts arrived in 500 BC and archaeological evidence was unearthed in 1980 during the construction of the metro line B. In addition to a large Celtic burial ground, evidence of the Bohemian's early iron furnaces was also unearthed. In the 6th and 7th centuries the Slavs arrived in large numbers and established themselves throughout the area, including a settlement near the present site of Prague Castle.

The Přemysl dynasty was established in the 7th century and ruled for several hundred years. Prague Castle was built in the 9th century during their reign. Christianity became the state religion under the rule of King Wenceslas (r c 925-929), now revered as the chief patron saint of the Czech people. By the 14th Century, Prague briefly became the seat of the Holy Roman Empire.

John of Luxembourg assumed the Czech throne in 1310 and during the rule of his son Charles IV, Prague grew into one of the most prosperous cities of the continent. The gothic architecture of St. Vitus Cathedral, Charles University and the famous Charles Bridge were erected during this period.

Religious strife dominated the 15th century with the rise of the Church reformation movement. Resentment of the wealth and corruption of the clergy and warring factions of the protestant Hussites clashed with the Catholic nobility. In the 16th century the Czech nobility invited the Hapsburgs to move the seat of their empire from Vienna to Prague and a second golden age was ushered in. But, by the early 17th century the Protestant – Catholic strife was renewed sparking the Thirty Years' War. European powers took decided action to quell Czech independence, restricting rights and privileges and seizing property. The population fell from 60,000 in 1620 to 24,000 by 1648.

The Austrian grip remained in place until the 19th century. At the close of WWI, a weakened Austro-Hungarian Empire could no longer hold power. A joint Czech-Slovak state, Czechoslovakia declared independence with Allied support in 1918. Two decades of cultural and economic achievement followed.

Czechoslovakia was the first state to fall into German hands in 1939. Over the course of WWII hundreds of thousands of Czechs were killed, including 90% of the Jewish population. Due to a lack of military resistance in 1939 and agreements towards the end of the war not to destroy buildings and bridges, Prague's historical sites remain intact.

Communists took power in 1946, and the influence of the Soviet Union remained dominant until the mid-1970's when writers, artists and intellectuals began to press for basic human rights (Charter 77). In 1989, Vaclav Havel, poet and playwright, became the figurehead of the Velvet Revolution, and later that year was elected president.

Grievances between the Czechs and Slovaks took centre stage following Havel's election. After three years of discussion and negotiation, the Czechs and Slovaks peacefully divided into independent states.

III. GOVERNANCE

Local

City-State: The Capital City of Prague

Since 2000, the Czech Republic is divided into thirteen regions (kraje) and the capital city of Prague. Each region has its own elected Regional Assembly and President. In Prague, their powers are executed by the City Council and the Mayor.

- **Prague Council and City Hall**

The city's principal administrative bodies are the Prague Assembly of seventy members, with eleven elected to form the Prague Council (Executive Body). They are elected for a four-year term of office. The Mayor is elected by members of the Assembly. The Council is responsible for city-wide programs and services of significance such as police, firefighting, public transport, waste collection, emergency services, cultural activities and heritage preservation.

Both citywide and municipal district governments have elected councils and mayors. The Mayor of the City of Prague is known as the "Lord Mayor."

- **Municipal Districts**

There are 57 municipal districts whose administrative powers are laid down in the Charter of the City of Prague; together with the Prague City Hall, the municipal districts provide for both self-government and statutory functions of state administration. Districts are largely responsible for parks and recreation, environmental protection and public housing.

- **Administrative Districts**

Since 2001, Prague districts have been regrouped into 22 “administrative units” for the federal level of government. One municipal district in each administrative district has responsibility for providing certain services for the entire administrative district. Those services include providing business licenses, identity cards and passports.

IV. FEDERAL CULTURAL PRESENCE

- **Federal Ministry of Culture**

The Czech Republic has an extensive network of cultural organizations. Facilities and institutions of national significance are supported by the Ministry of Culture, while local and regional institutions are supported by the respective administrations. The Ministry holds responsibility for approximately 30 cultural institutions and venues in several regions across the country; with the largest concentration found in central Prague including:

- National Gallery
- National Museum
- National Theatre
- Museum of Decorative Arts
- National Film Archive
- National Monument Institution
- Prague State Opera
- National Technical Museum
- Prague Philharmonic Choir
- National Library
- Czech Philharmonic Orchestra
- The Museum of Czech Literature

It is interesting to note that Brno, the second largest city in the Czech Republic also hosts national cultural institutions including several museums, an art gallery and library.

V. LOCAL ARTS AND CULTURE PRESENCE

Local Arts Authority and Support Agencies

- **Capital City of Prague: Culture, Monument Care and Tourism Department**

In 2005, the City of Prague reported an allocation of more than one billion Czech crowns to arts and culture (CAD \$50m) based on an established policy commitment of 5% of the total city budget. These investments are largely dedicated to the operation of several significant venues as well as investment program allocated by a Mayor’s advisory group and administered through the Department’s Culture Division. Funding categories are as follows:

- multiyear grants for designated major cultural institutions, events and activities
- grants to artists and arts organizations
- project funding
- city-wide arts education/community arts programs
- partnered or “co-organization” grants (festivals, awards, international projects)
- capital improvement grants

Annual operating and partnership grants accounted for \$ 9.2m of the department's budget in 2005. In 2009, annual this figure rose to \$10.1m.

City Venues for Local Presence

The City of Prague also holds responsibility for several major arts and cultural venues including:

- Prague Metropolitan Museum
- Prague Metropolitan Gallery
- Prague Metropolitan Library
- Vyšehrad Historic Site
- Prague Symphony Orchestra
- Prague Observatory and Planetarium
- 10 separate theatre venues

Highlighted Venue: DOX Centre for Contemporary Art

As a city best known for its music and literary excellence, Prague's visual arts scene received a boost in 2008 with the opening of the DOX Center for Contemporary Art, which is located in the emerging district of Holešovice, just outside of the preserved, historic city centre.

DOX consists of a complex of industrial buildings, including a former metal factory from the late 19th century, which provides an ideal setting to present contemporary art. The architect, Ivan Kroupa, has combined the existing buildings with new structures to create a complex that links the site's history and its new function. The horizontal nature of the buildings and their layout allow for a great degree of flexibility, a significant factor given the highly variable scale of contemporary art. The architecture of the centre allows for future expansion if capital and operational funding is available.

DOX currently offers over 30,000 square feet of multi-tiered exhibition spaces designed to accommodate both large and small gallery spaces and also features a roof top terrace for outdoor installations.

This artist-run, non-profit centre operates with the objective 'to encourage the growth of the local artistic community by facilitating collaborations and partnerships among regional and international artists and institutions'. DOX receives annual support from the City of Prague as well as contributions from the federal government and the European Union. Most notable is the fact that DOX is currently overseen by an internationally represented Board of Directors from peer institutions in London, New York, Rotterdam, Sydney and Jerusalem.

Multiple Features and Attractions

Prague was known as the City of 100 spires, and boasts hundreds of monuments and landmarks such as the medieval 1,000 year-old Prague Castle, the gothic towers of St. Vitus Cathedral and the 650 year-old Charles Bridge. The Art Nouveau movement found a welcome home in Prague where leading Czech artists including Alfons Mucha, designed the interior rooms of Municipal House, a centre for the visual, performing and literary arts. Prague is also the home of classical music composer Antonin Dvorak and writer Franz Kafka.

Post independence, tourism has become an important part of Prague's economy, attracting 4.1 million visitors in 2009. Tourists from abroad represent 90% of all accommodated guests. The majority of cultural institutions of national importance are located in Prague. The historical core of the city (Old Town) is listed on the UNESCO World Cultural and National Heritage Registry.

The City of Prague has been a well established European centre of culture for centuries and for a city its size, boasts a wealth of arts and cultural institutions, organizations and events as follows:

An international reputation for arts and culture:

- 3 opera houses: 36 opera events annually
- 17 dance studios and companies
- dozens of theatres throughout Prague City
- hundreds of classical and contemporary music performances in clubs, theatres and churches
- 3 symphony orchestras
- 9 black light theatres
- 6 English theatre production companies

Prague also features 20 major arts festivals taking place year-round including:

- Prague Festival of Writers
- Dance Prague
- Organ Summer Festival
- Museum Night Festival
- Prague Spring – International music festival
- World Festival of Puppet Art

Recent Developments

Artists in Prague are no strangers to political advocacy. In 2009, state funds for national institutes, such as the National Theatre, the Czech Philharmonic and the State Opera, were secured. But with a 25% funding reduction, smaller operations - including small theatres, festivals, exhibitions and cultural publications - were left struggling to survive. Jan Vávra helped to organize an initiative known as *For the Czech Lands Still Cultural*. The group organized a demonstration outside the Czech Museum of Music in Prague on March 25, 2009 to protest the cuts, prior to the ministry-organized Forum for Creative Europe conference held on March 26 and 27. Around 300 participants attended the rally.

The protests echoed The Days of Unrest that took place in 2008, when the City of Prague made changes to the funding allocations and threatened significant cuts. The Prague arts community held five days of protest, which eventually led to a reinstatement of funding and a revised grants system that will be in place from 2010 to 2015.

Additional Notes

Post Independence: Transitional Period of Cultural Development and Sustainability

The Czech Republic has made remarkable economic, social and cultural progress over the past two decades since achieving independence. The 2008/09 economic down-turn that affected numerous European countries did not have devastating consequences for the Czech economy. Exports have been affected but the country's financial position remains stable. National economic reforms have included an attempt to develop alternative sources of financing. The tax laws that have been introduced in the past decade are intended to provide an incentive for sponsorship and private funding.

Prague continues to flourish as a world-class music scene, with concerts, operas, and ballets performed throughout the year in the city's famous theatres. From mid-May to early June, the city hosts the Prague Spring Music Festival, which enters its 65th season in 2010. More than 60 concerts, theatre performances and other events bring some of the world's best composers and musicians to Prague. Prague is home to two music academies and seven conservatories. In 2005, 3,415 artists and technicians were employed in resident theatres and venues.

"Strings of Autumn" is a more recently established music festival and not as well known as Prague Spring. The Artistic Director spent an internship in the U.S. and returned to Prague with new ideas. He is looking at alternative funding sources such as holding a fundraising Gala, which is a foreign concept in the Czech Republic. He hopes to raise \$50,000 (CAN) in his first event in 2010.

Although there is a robust music and literary scene in Prague, the contemporary visual arts have had a difficult time creating a physical hub. A variety of visual arts initiatives have been developed outside of the city core including the newly built DOX Centre. Artists identify a pattern of great promise and excitement about a project or event, followed by dwindling interest and lack of sustainability.

A number of individual artists and smaller organizations have been critical of the percentage of cultural budgets from the national and local levels that are used for the preservation and care of monuments and historical sites. It is felt that the contemporary and live performance arts should be receiving a larger share.

E. HELSINKI

Cultural Capital of Northern Europe

I. GENERAL DATA

Population 2008	<ul style="list-style-type: none"> • Helsinki pop. 570,000 • Helsinki Metropolitan Area: 1m • Helsinki Region: 1.3m • Finland pop. 5.4m • Helsinki is the largest city in Finland
Diversity 2007	<ul style="list-style-type: none"> • 93.3 % of residents are Finnish nationals • 6% speak Swedish • 36,283 of residents are foreign nationals • 54,651 (9.6%) of residents have foreign backgrounds with the largest groups being Estonians and Russians • Helsinki is a bilingual city providing services in Finnish and Swedish
Age	N/A

II. HISTORY

In 1155, the first crusade to Finland was made by the Swedes, who incorporated it into the Swedish realm. In 1550, Helsinki was established as a trading town by King Gustav Vasa. The city's growth was slow, for despite the King's order to force a number of small communities to move to Helsinki, the medieval trading traditions resisted change. Due to the wars in Russia, the Baltic countries and Germany, Helsinki was nevertheless a strategic military centre, a point of embarkation for troops and a winter haven for the navy.

Peter the Great of Russia invaded Finland in the early 18th century, and clashes between Sweden and Russia continued until 1809 when Gustav IV Adolf lost his crown and Finland was handed over to Russia by Sweden, becoming a partly autonomous Grand Duchy under the Russian Emperor.

In 1812, St Petersburg nominated Helsinki as its Finnish capital and construction work started on Senate Square. In the same year, Finland's only university, which had been established in Turku in 1640, was relocated to Helsinki. Devastated by fire, the city began a rebuilding project headed by Johan Albrecht Ehrenström, a native of Helsinki, and the German-born architect Carl Ludwig Engel. The most noteworthy central city building from this time period is the Cathedral, completed in 1852.

Helsinki soon became an administrative, university and garrison town, and the biggest industrial city in the land. The late 19th century architecture reflects the rise of industrialism, of growing affluence and European trends. By the beginning of the 20th century Helsinki's population had grown to over 100,000.

Finland declared its independence in 1917. This was immediately followed by civil war. At the end of January 1918, the government was forced to flee Helsinki. In May 1918 the war ended with victory for the government troops.

The independent republic developed briskly during the 1920s. The architecture of the 1920s and 1930s was marked by classicism and functionalism. The Helsinki Olympic Stadium was completed in 1938, but the games were postponed due to the war. Helsinki went on to host the games in 1952.

During the course of the Second World War, Finland experienced a number of attacks but was never occupied by foreign forces. The 1950's and 60's saw a transformation as cities in the south of Finland and the Helsinki region responded to a steadily expanding population.

Helsinki features several buildings designed by the celebrated Finnish architect Alvar Aalto including the Social Insurance Institution building, the Academic Bookstore, the House of Culture and Finlandia Hall (completed in 1971). The new Opera House by the architects Hyvämäki, Karhunen and Parkkinen was opened in 1993, and the Museum of Contemporary Art designed by architect Stephen Holl, was opened in 1998.

Finland became a member of the European Union in 1995, and was one of the nine designated "European Cities of Culture" for the Millennium.

III. GOVERNANCE

Local

- **City of Helsinki**

The City Council of Helsinki consists of an 85 member Assembly. Representatives are elected every four years. There is a City Board comprised of 16 members and their deputies elected by the City Council. The Board serves in a senior administrative capacity. The Mayor, with four appointed Deputy Mayors, serve as the Executive and are each responsible for specific departments and services.

Metro/Regional Forums

There are two concentric, non-statutory forums of collaborative planning with adjacent communities:

- **Helsinki Metropolitan Advisory Board** consists of representatives from the four area municipalities that make up the metropolitan area. The Advisory Board collaborates on strategies to improve international competitiveness and sustainable development. The Advisory Board's most notable work of recent years is the development of a joint Innovation Strategy
- **Greater Helsinki Region Cooperation Assembly** was established in 2005 and consists of leading elected officials from fourteen municipalities within the Helsinki region. The Assembly shares similar goals as the Advisory Board.

Federal

- **Senate Properties** is an unincorporated, property agency responsible for a substantial portfolio of State-owned properties and buildings within the capital including: the Government Palace, the Supreme Court and national cultural institutions (museums, galleries and performing centres). A property holding agency for the state was first established in 1811 as the Office of the Intendant. The current version of the agency was established in 2001 in an effort to consolidate properties held by diverse agencies following privatization of numerous out of use or redundant buildings.

IV. FEDERAL CULTURAL PRESENCE

The Government of Finland has not installed a capital planning authority within Helsinki. Urban design and planning remains the exclusive domain of the municipal government. The Ministry of Education and Culture holds responsibility for the portfolio of national cultural institutions located within the capital and in other regions. In terms of the capital city, the following institutions fall within the Ministry's domain:

- National Museum of Finland
- National Gallery of Finland (3)
- Finnish National Opera
- Finnish National Ballet and School
- National Archives of Finland
- Museum of Natural History
- Finnish National Theatre
- National Orchestra
- National Library of Finland
- Svenska Teatern (Swedish Theatre)

In addition, there are 13 national specialist museums to showcase different fields including the Finnish Museum of Architecture and the Design Museum.

Federal arts and culture appropriations for 2006 were €360 million with approximately 85% allocated towards national arts and cultural institutions. 52% of these funds are sourced from lottery revenues.

V. LOCAL ARTS AND CULTURE PRESENCE

Local Arts Authority and Support Agencies

- **City of Helsinki, Cultural Office**

The City of Helsinki is an active supporter of art and culture. The City is the second largest funder of culture in Finland with allocations representing 3% of the total municipal budget. This represents a per capita investment of €193. The City's cultural activities and services are administered by the Culture Office.

In 2007 a total of €23.1 million was granted by the City of Helsinki in the form of arts grants (€12m) and subsidies to several arts venues. The city also employs 1,000 people in the cultural sector representing 3% of the city's total workforce. These numbers include the City Library which accounts for 1.5% of the city work force and operates with an annual budget of €32 million.

Function Areas

- Arts/Artist Grants
 - Facilities Management
 - Artist Work Spaces
 - Arts Education
 - Festival Grants
 - City Art Collection
 - Artist in Residence Programs
 - Marketing/Promotion Support
- **Arts Council of the Helsinki Metropolitan Region** (Arts Council of Finland Sub-Granting Program)

The Arts Council of Finland has been in operation since 1968. It is composed of a Central Arts Council; nine National Arts Councils which are discipline specific; and, 13 Regional Arts Councils (RAC). The Regional Art Councils are an extension of the system of the Arts Council of Finland to the regional level.

There are 13 Regional Arts Councils (RAC) in different parts of Finland and they are made up of nearly 150 members elected to a position of trust and to act as experts in a specific field of art and regional culture. The Ministry of Education appoints the Councils after having consulted regional art and culture organisations and institutions. In general, Finnish Regional Arts Councils are mandated to:

- monitor and assess general developments in the arts within the region
- promote participation in the arts, through information dissemination and international activities
- promote cooperation and networking among cultural partners within their regions
- issues statements in matters relating to the arts
- hires regional artists as special experts to support the work of the Councils

The Arts Council of Helsinki Metropolitan Region serves as the RAC for the capital region. Arts Council funding falls under two categories:

- **Project Grants:** awarded to individual artist or a group formed for a specific project. A project grant may cover, for instance, exhibition costs, material and manufacturing costs of a piece of work, equipment purchases, publication costs, etc.
- **Working Grants:** awarded to support the personal work of an artist or a researcher in the field of arts.

In 2007, grants allocated fell within the range of €500–3,000.

City Venues for Local Presentation

- Helsinki City Theatre
- Helsinki City Museum
- Savoy Theatre & outdoor stage (Espa)
- Harakka Island Studios
- Finlandia Concert Hall
- Helsinki City Art Museum (3 venues)
- Cultural Centre Caisa
- 3 regional arts centres

Highlighted Venues:

- **Harakka Island Studios**

Harakka Island was the former site of Finland's Defence Forces until 1988 when the property was transferred to the City of Helsinki. The Island has since been opened to the public and operates as a popular recreational/nature area for Helsinki residents. .

Since 1989, the City's Cultural office has rented studios out on three-year contracts to approximately 30 professional artists and artisans. Studios are located within the Island's three-storey main building, now referred to as the "Artists' House". There is a non-profit association which promotes creative activity on the island, particularly during the summer months. International links are maintained by arranging various workshops.

While the Island is in close proximity to central Helsinki, access can be limited on a seasonal basis. Artists working on Harakka access it by row boat. In the winter, the island can only be accessed when waters surrounding the Island are sufficiently frozen for a pedestrian path to be created.

- **A New Concert Hall for Helsinki**

Helsinki is currently in the process of building the Helsinki Music Centre in the downtown core, between the existing Finlandia Hall and the Kiasma Museum of Contemporary Art. The new centre, which cost €140 million, includes a 1,700 seat concert hall and five smaller performance spaces. It is scheduled to open in spring 2011. The building's total floor space of 36,000 square meters also includes an underground level with five smaller concert halls and ample space for the artists. The centre will house several restaurants and cafés, and during the day visitors will be able to enjoy exhibitions and live performances inside and in good weather enjoy the courtyard café. When LPR Architects won the design contest in 2000, their contract included an agreement to design the spaces in cooperation with Japanese consultants Nagata Acoustics to ensure that the presentation of sound was central to the construction.

The building will act as the home of Helsinki's two main orchestras, Helsinki Philharmonic Orchestra and the Radio Symphony Orchestra, both held in high regard internationally. The northern wing of the building will be set aside for the Sibelius Academy. The Music Centre itself does not organize concert events but rents the space out. A separate Music Centre Fund has been founded to support concert operations.

Helsinki Philharmonic Orchestra

The City of Helsinki funds and runs the Helsinki Philharmonic Orchestra which performed 87 concerts in 2007, with an average of 81% capacity and 14 of their concerts selling out. The Opera Company staged 286 performances in 2006.

Local Festivals

Helsinki supports 55 arts festivals including:

- Helsinki Festival (multi-disciplinary)
- Helsinki Documentary Film Festival
- Moving in November (modern dance)
- Avanto Helsinki Media Arts Festival
- Musica Nova (contemporary music)
- UMO Jazz Fest
- Baltic Circle (theatre)

The Helsinki Festival is the largest in the city and attracted 307,357 visitors in 2007. Combined attendance at all festivals was 600,000 in 2007. Public subsidies cover 30 – 50% of the average festival costs. Half of the festivals in 2006 received no private sponsorship. The City also provides access to venues, back-up services and marketing support.

Additional Notes

Finland provides the highest per capita funding for arts and culture in the world. Programs at the national level include working grants for artists that concentrate on the artist developing their career rather than supporting a specific project. Living wage grants are offered for periods of 6 months to 5 years. Artists from Finland are encouraged to bring cultural offerings to other countries in the EU and abroad. Finnish embassies are active promoters of Finland's artists, and assist in creating opportunities.

In 1997 the European Union Migrant Artists Network (EU-MAN) was established in Turku, Finland, and has continually worked to establish professional migrant artists who live and work in the EU. EU-MAN also publishes a quarterly magazine entitled *Universal Colours*, which focuses upon the work and experiences of professional migrant artists and also highlights the work of one artist for each issue.

Public participation in arts and cultural activities in Helsinki is very high. Book and media loans from libraries place Helsinki as the world leader (18 loans per resident). On average, each resident visited a City library 11.2 times. 75% of residents held a high opinion of the cultural offerings provided in the city's eight cultural centers.

Finland's regional arts councils are exploring the potential to develop an Art Hub, which would strengthen their network and provide services to artists and creative industries throughout Finland. Each of the regional arts councils will encourage artists, the cultural sector and creative business activities by providing services to improve employment, entrepreneurship, communications and financial management. A two-year exploration has been funded by the European Union – European Social Fund, and recommendations will be formed by June 2011.

4.0 STRATEGIES FOR ADVANCEMENT

4.1 COMPLETING THE ARTS INVESTMENT STRATEGY

Alternate Investment Practices

Exploration of City-Wide Alternative Investment/Governance Models

This chapter examines the range and diversity of existing, city-wide art investment products. In regards to United Arts Funds, four were selected from a group of sixty. The four highlighted are widely regarded as well-run, successful funds by their peers. Size of the urban community was also a factor in our selection; opting for urban centres comparable to the population base of Ottawa and the National Capital Region.

A similar search in Canada produced limited results. Generally, our search for city-wide investment products and services led us to the City of Toronto due to the range of investment products managed by the Toronto Arts Council including the Toronto Arts Foundation as well and the additional tier of city-wide arts investment provided by the Creative Trust for Arts and Culture.

I. UNITED ARTS FUNDS IN THE U.S.

United Arts Funds (UAF) are non-profit organisations established for the purpose of coordinating an annual fundraising appeal or campaign for the benefit of an established collective of arts institutions (large or small) within a community; be they cities, metropolitan areas or distinct supra-regional economic areas that involve multiple counties across state lines. There are currently some 60 type UAF organizations registered within the United States.

Dating back to the forties, the concept was generally inspired by the broad-based approach of United Way campaigns. However each UAF agency remains uniquely structured to address the particular needs of the arts community it serves. However diverse, each fund shares a common set of goals including:

- broadening the base of support for the arts;
- promoting excellence in the arts and arts management; and
- ensuring that arts organizations are stable.

A UAF campaign is typically composed of both private and public funding streams, with the majority of funds solicited from individuals, corporations and foundations. In some instances these contributions are combined with public sector contributions provided by local, state and federal governments in order to optimize total available dollars for grant making purposes. According to Americans for the Arts³⁹, common features include:

³⁹ Americans for the Arts (AFTA) is a US based umbrella organization focused on the advancement of the arts at the local, state and national level. AFTA, in collaboration with the United Arts Fund Council, annually tracks the performance of united arts funds on a national basis. Each year the top ten performers are presented on their web site: www.artsforamericans.org

Common Features of United Arts Funds⁴⁰

The majority of UAFs also serve as the local arts agency (LAA) for their community. Some cities have both a UAF and a public LAA; a complementary arrangement that serves to broaden the scope and services and funding available to local artists and arts organizations.

UAFs primarily raise unrestricted operating support, though many also raise funds for project grants to address specific issues within the community (i.e., marketing, stabilization, or arts education).

UAFs are often initiated by local business leaders seeking to minimize the number of individual funding requests and ensure that arts organizations meet standards of quality and financial stability.

Most have a broad-base board of directors composed of community leaders who are able to engage in one-on-one fundraising (e.g. a business leader is more likely to give to a campaign if approached by another business leader).

Because of the “federated” nature of these campaigns, some UAFs have fundraising restrictions on the grant recipients. While these vary from community to community, most common is an agreement not to request unrestricted operating gifts from corporations (though selling sponsorships or memberships is often allowed). All recipients are encouraged to raise money from individuals through season ticket sales, patron and membership drives and special events.

In most cases, UAFs have instituted fundraising “black-outs”; a period of time where their campaigns operate exclusive of any of their recipients’ activities. This is done to avoid detracting public attention on the umbrella campaign.

While discipline-based arts organizations may regard UAFs as unnecessary or a duplication of effort, these “umbrella” type activities do lower the cost of fundraising and, in the views of most donors, remain attractive due to their high level of accountability and convenience. According to Americans for the Arts, corporations actually tend to give more money to a new UAF campaign than the sum of their previous year’s giving to arts organizations individually.

Common Sources of Revenue and Areas of Expenditure⁴¹

Top Source of Revenues, 2002:

Corporations	40.5%
Workplace Giving Campaigns	24.5%
Individual Donors (non-workplace giving)	13.2%
Private Foundations	8.7%
Government	7.8%
Other (Corporate matching gifts, fundraising events, endowment income, misc.)	5.3%

⁴⁰ Excerpt taken from AFTA Monograph: “United Arts Funds: Meeting the Challenge of Increased Private Sector Support for the Arts”, 2003. Author: Robert Bush, Arts & Science Council of Charlotte/Mecklenburg, North Carolina

⁴¹ Information presented in both Tables 1 and 2 are sourced by the AFTA Monograph per note 2. Data is collected through an annual national survey.

Sources of Revenue

As illustrated above, corporate giving represents the largest single source of support for these funds on a national basis. The private sector and its business leaders find these campaigns appealing for the following reasons:

- Businesses are familiar and comfortable with united appeals, such as the United Way, particularly where positive impacts are easily demonstrated within their community.
- United Arts Funds attract civic and business leaders to engage in the annual campaign. Campaign success is directly attributed to the quality and diversity of leadership. Because of its non-disciplinary approach, fund campaigns are able to recruit leaders who may not be followers of opera or the ballet, but are concerned with the community itself; in terms of quality of life, economic wellbeing and, or civic pride. Having established networks, these leaders are well positioned to seek support within diverse sectors of the community beyond the realm of traditional arts sponsors.
- Business leaders engaged in a united appeal are attracted to the limitations on the number of times they are approached to support the arts.
- There is also confidence in the stringent standards for quality and financial stability offered by these institutions.

Workplace Giving Campaigns

In this instance, similar to the United Way campaigns, donations are made by employees while at the workplace, through one-time gifts or payroll deduction. According to AFTA, 34 UAFs raised \$22 million from workplace giving campaigns (nearly double from 1997) despite the economic downturn experienced at that time. Workplace giving, at least over the last decade, has been the fastest growing source of support for these funds.

Workplace giving is considered both efficient and effective in terms of its ability to reach large number of people at low cost. Payroll deduction options make giving relatively painless and many campaigns offer incentives such as T-shirts, coffee mugs, and “arts cards” at certain levels of giving.

The general approach to starting a workplace campaign usually involves starting with a few well-placed workplaces usually within the public sector, teachers or in small offices and professional firms. In subsequent years, more workplace campaigns can be added within the private sector. Engaged business and civic leaders can play a key role in generating greater workforce participation over time.

As illustrated in Part II of this study, there is also a fair level of reliance on both private-public foundations as well as governments. In some cases, depending on the stature of the funding agency, there is a purchased service arrangement with local governments. It is also interesting to note that many have strong relations with their local community foundations and in some cases with the local United Way Campaign – crucial for success of any workplace giving initiative.

Also noted in Part II is how many of these funding agencies also serve as a holding place for smaller, private arts endowments (as opposed to community foundations) which usually generate income for designated purposes. Again, from research, it has been determined that donors have confidence in the agency’s fiduciary competence, as well as their expertise and high standards in their approach to disbursing generated income.

Perhaps the most surprising element of this investigation is how smaller and mid-sized urban centres have been successful in these endeavours, noting that Cincinnati’s UAF received top ranking in 2007 for raising over \$12m in funds. Most of the urban communities listed within Americans for the Arts’ annual top ten share certain similarities with Ottawa-Gatineau, particularly in terms of metro-population.

In general, successes among these fund initiatives generally depend on: steady and strategic relationship building with diverse community stakeholders over time; engaging key civic and business leaders either through boards or fundraising “cabinets”; built up public trust and confidence in the agency; and an ability to demonstrate how the community benefits from this effort.

In most cases, there are dedicated professionals and advisors involved in the areas of investing assets, campaign management and disbursements.

Top Areas of Expenditure, 2002:

Grant Making	64.6%
Salaries & Benefits	14.4%
Programs & Services	5.4%
Admin. Overhead	4.6%
Marketing & Advertising	2.5%
Events Produced	2.4%
Other: (Facilities, Fundraising, Public Art, Misc.)	6.1%

Areas of Expenditure

As evidenced above and in Part II of this report, United Arts Funds are primarily established to provide primary or supplementary sources of funding support to a local arts community. The degree of overhead depends very much on the status of the fund (independent or integrated) and the level of programs and services offered to its client community and the general public. Part II of this study aims to illustrate operational variances within a select group of agencies; emphasizing their responsiveness to unique community circumstances.

Standardized Grant Making Process

United Arts Funds are generally required to administer two types of grants to identified client groups: unrestricted and restricted grant allocations for the purposes of general operating and/or project purposes. In many cases, there are pre-determined categories of “membership” which help to define the level of relationship (commitment) between funder and grant seeker.

While the origins of many of these funds stem from a common community interest in supporting a few large institutions (symphony, ballet, opera, etc), over time, as resources have expanded, funding focus has also expanded to include other, less institutional benefactors, in order to increase public access to cultural experiences, to further outreach and developmental opportunities; activities which contribute to the social and economic wellbeing of the entire community.

All funding agencies have established criteria and a detailed submission and assessment process – usually involving expert panels for allocation purposes.

II. CANADIAN INVESTMENT MODELS

In terms of finding similar models within Canada, our search brought us to Toronto where the united approach to alternate arts investments could be found within two separate, arm's length agencies:

- Toronto Arts Foundation (TAF): a sister agency of the Toronto Arts Council (TAC)
- Creative Trust for Arts and Culture: an arts stabilization investment agency initiated in response to the Canadian Arts and Heritage Sustainability Program

i) Toronto Arts Foundation

Since 1974, the Toronto Arts Council has served as the City of Toronto’s arm’s length body for the managing and distribution of grants to the city’s arts organizations and professional artists. In 2008, the Toronto Arts Council allocated \$10.3 million to over 200 artists and 468 arts organizations. In 1995, the Council established the Foundation as a means of enhancing existing investment activities with an additional tier of financial support. This support is largely sourced through public partnerships and private donations in addition to interest income.

Activity Summary

i) Partnered Grants Programs:

<p>Community Outreach: The Creative City: Block by Block Program</p>	<ul style="list-style-type: none"> • Connects at-risk neighbourhoods with artists for increased access to arts learning opportunities • Foundation spearheaded partnerships with the Department of Canadian Heritage and the United Way of Greater • 15 neighbourhood arts projects funded in 2007
<p>Touring Support: INCUBATE Fund \$100,000 (Pilot Project) Support for new work and international promotion.</p>	<ul style="list-style-type: none"> • <i>INCUBATE</i> is a juried program, designed to provide seed money to facilitate the early planning stages of project proposals being developed for presentation to international festivals and presenters. The maximum grant available is 85% of eligible expenses up to \$10,000 • Each year monies target a specific discipline. In 2010 \$75,000 was awarded to 12 theatre projects being developed by Toronto arts organizations for international festivals and presenters. • Foundation funding is sourced through a contribution of \$25,000 from the City of Toronto and \$50,000 from the Luminato Festival of Arts and Creativity. • The program will target other disciplines in future years.

ii) Network Support:

<p>Toronto Arts Coalition Network 5,300 members</p>	<ul style="list-style-type: none"> • Internet-based network of individuals dedicated to advocating for Toronto's artists and arts organizations. • Receives regular updates on current arts issues, newsletters and promotional materials and fact sheets
<p>Toronto Arts Volunteer Network 400 volunteers</p>	<ul style="list-style-type: none"> • The AV network connects volunteers with arts organizations annually • Bi-monthly e-mail communications gives volunteers a deep appreciation for local arts, • Opportunity to learn new skills, expand their networks and experience personal growth
<p>New: Neighbourhood Arts Network</p>	<ul style="list-style-type: none"> • An extension of the Block by Block program. • Recently launched as a means of maintaining and building relationships with artists and communities

iii) Recognition:

<p>Toronto Arts Foundation Awards & Mayor's Annual Awards Luncheon 5 Awards - \$40,000</p>	<ul style="list-style-type: none"> • Presented at the Mayor's Annual Awards Luncheon. • Diverse range of awards, across all disciplines, highlighting City's cultural leadership. • TACF Awards include: <ul style="list-style-type: none"> ▪ Rita Davies Cultural Leadership Award ▪ Muriel Sherrin Award for International Achievement in Music ▪ The Globe and Mail Business for the Arts Award ▪ Arts for Youth Award ▪ RBC Emerging Artist Award
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Partnered Approach to Leveraging Income

The Foundation leverages private sources of income including annual contributions from individual and corporate donors with funds through partnerships including: Canada Council for the Arts, the Department of Canadian Heritage, the Ontario Trillium Foundation, the Ontario Arts Council and the United Way of Greater Toronto.

Governance Structure

Toronto Arts Foundation (formerly the Toronto Arts Council Foundation) was established in 1995 as a sister organization to TAC to allow individuals, foundations and corporations the opportunity to support a broad spectrum of arts disciplines in the City of Toronto through tax-deductible contributions. TACF's mission is to build a base of private funding for the arts and culture sector in Toronto. In 2002, TACF began developing broad-based arts awareness and fundraising initiatives with the intention of considerably increasing funds raised for Toronto arts. These funds are managed by TACF's Investment Committee. Primary uses of the funds are TAF's awards and endowment programs and, the Arts Council's grants program.

Some of the Foundation's fourteen-member board of directors also serve on the Council's board of directors as a means of ensuring accountability and to maintain a genuine understanding of Toronto's not-for-profit arts community. Although they are separate entities, the Council and the Foundation benefit by being run as sister organizations. The great advantage of partnering these two organizations is the ability to share resources, from office space at 141 Bathurst Street to cyber-space on the web, thereby reducing administrative costs. It also ensures close contact with the arts sector in Toronto and the continuous awareness of needs across the community.

Financial Summary

In 2007/08, the Foundation generated a total \$355,000. The following provides a breakdown in the Foundation's income sources and area of expenditure:

2007/08 Revenue/Expenditure Breakdowns

Revenues:

Grants and Donations:	\$155,830	43.6%
Arts Awards:	\$109,775	31%
Management Fees:	\$4,800	1.3%
Interest, Dividends, Unit Trust Distributions:	\$45,917	13%
Sale of assets:	\$38,451	11%
Endowment income:	1,057	0.1%
Total:	\$355,830	100%

Expenditures:

Grant Making	\$198,000	57%
Annual Awards	\$78,000	23%
Purchased Services	\$55,000	16%
Investment Management Fee	\$12,000	3%
Other	\$3,000	1%
Total	\$345,000	100%

II) CREATIVE TRUST FOR ARTS AND CULTURE, TORONTO
Working Capital for Middle Tier Arts Organizations

Mandate

Creative Trust’s Working Capital for the Arts is a six-year program to help Toronto’s mid-size performing arts companies develop skills, achieve financial health and balance. Its aim is to build more vibrant music, theatre, and dance organizations that will inspire, move and challenge audiences, now and into the future.

As the Working Capital for the Arts program winds down, Creative Trust is currently assessing and planning future directions. New funding has come forward in order for the Trust to continue providing learning opportunities to the arts sector; with particular focus on audience development.

Activity Summary

Established in 2004, Creative Trust has focused delivery of long-term, capacity building assistance to 21 mid-sized performing arts organizations with operating budgets ranging from \$400k to \$4m. Strategies include:

- Matching Grants for Deficit Reduction
- Working Capital Awards
- Building Skills Program (in-house sessions, seminars, roundtables)
- Outreach Learning – shared learning experience for an additional 30 small and culturally diverse organizations residing within the GTA.
- Assisted member companies to finalize long-range work plans, while helping them deal with changes, transitions and problems. The value of these services, to date, is over \$585,000.
- Engaged an additional 30 new members through outreach learning initiative.

Governance Structure

Formed as a charitable not-for-profit organization, Creative Trust is led by an eight member Board of Directors. An Advisory Council provides guidance as required.

Financial Summary

Creative Trust was designed as a six-year program with a fundraising goal of \$6.1 million.

In 2007 Creative Trust awarded its eligible members with \$820,000 in matching deficit reduction and working capital awards, for a total of over \$2.85 million since 2005.

Impact

One of the major objectives of Working Capital for the Arts is to help companies increase contributed revenues from the private sector – a necessary component of sustainability in the very competitive Toronto market.

In 2007 Creative Trust companies generated \$6.2 million in private sector donations and sponsorships. Excluding one company, which had an extraordinary contribution in its base year, the remaining 18 companies raised \$540,000 more than in their base years, an increase of 11%.

Creative Trust presented 11 seminars on topics from Web 2.0 to Major Gift Fundraising; provided over 480 hours of individual consultation; and held 21 company review meetings and two “state of the arts” round-tables. They also assisted the participating companies with finalizing long-range work plans, while helping them deal with changes, transitions and problems. The value of these services, to date, is over \$585,000.

An Outreach Initiative welcomed 14 new members as active participants, and Creative Trust began a partnership with the Canada Council for the Arts Equity Office that opened their learning sessions to include culturally diverse clients.

III. GOVERNANCE MODELS FOR LOCAL ARTS INVESTMENT

The search for model investment practices in Canada and the US brought forward the observation that in the majority of instances, city-wide investment strategies were being managed by an arm’s length local arts authority serving either a single municipality or larger metropolitan area.

The concept of an arm’s length local arts agency is more wide spread than originally perceived and has evolved as the preferred approach for the delivery of specialized support services, including the annual allocation of city funds for arts investment purposes. Our exploration resulted in examining five existing agencies in Canada:

- Conseil des arts de Montreal
- Toronto Arts Council and Arts Foundation
- Edmonton Arts Council
- Winnipeg Arts Council
- Calgary Arts Development Authority

Table 13 summarizes information collected on several arts investment models of interest including four from US cities including: Hartford, CT, Seattle-Tacoma, WA, Metro Kansas City, MO; and, two from Toronto. While all six models have an arm’s length body overseeing specific funding instruments, four of the models involve municipal arts authorities.

Table 14 summarizes information collected on municipal arm’s length arts authorities existing in major cities across Canada.

Table 13: Overview: City-wide Alternative Arts Investment Funds in the US and Canada

		US ESTABLISHED FUNDS		US EMERGING FUNDS		CANADIAN MODELS	
CITY - METRO	Greater Hartford Pop. 1.2m	Seattle – Tacoma Pop. 3.2m	Metro Kansas City Pop. 2m	Metro Portland Pop. 2.1m	City of Toronto Pop. 2.5m	City of Toronto Pop. 2.5m	
FUND NAME	United Arts Fund Est. 1971	ArtsFund & AF Foundation Est. 1969	ArtsKC Fund Est. 2007	Work for Art Fund Est. 2003	Toronto Arts Foundation Est. 1995	Working Capital for the Arts Est. 2003	
GOVERNING AGENCY	Greater Hartford Arts Council Local Arts Agency	ArtsFund Inc. Metro Arts Funding Umbrella	The Arts Council of Metro Kansas City Local Arts Agency	Regional Arts and Culture Council Local Arts Agency	Toronto Arts Foundation Sister agency to TO Arts Council (see Table 15)	Creative Trust for Arts and Culture Inc. City-Based NFP	
FUNDS GENERATED	\$4.3m generated annually	\$4.2m generated annually by AF Campaign	\$500k in 2007 \$725K in 2008	\$560k raised in FY 07/08	\$356k generated in 2007 -consolidation fund income, sponsors, and partners	\$6.2m trust raised- leveraged by 2007	
DESCRIPTION	Campaign consolidates public /private sourced funding to cover all GHAC operations from funding to public programs and support services.	Ongoing sustainable funding to support key arts institutions and organizations -- identified as "charter members" Arts Foundation also holds various endowments with assets totalling \$11m.	Annual campaign raises private funds – serves as the primary source for local arts funding.	Local governments within metro area provide match-up funds to augment workplace contributions.	Foundation's annual fundraising and endowment income supports TAC outreach and public awareness initiatives.	A time-specific, united approach to assist mid-sized performing arts organizations with stabilization and long-term capacity building.	
FUNDING SOURCES	Corporate donors Workplace giving Individual donors State /local governments	Corporate donors Workplace giving Individual donors Other revenues	Workplace giving Corporate donors Individual donors Local Government	Workplace giving Local Government	Public/private partnerships Corporate donors Individual donors	Government: Federal Provincial Local Foundations Corporate Donors Individual Donors	
ACTIVITIES SUPPORTED	Annual Grants Programs Support Services Administration	Annual Grants for Charter Members Programs Support Services Administration	Annual Grants Administration	Grants targeted for 'community enrichment' initiatives: special events, outreach and promotion	Grants Awards Services Administration	Financial aid to member companies Support Services Outreach/ Learning Administration	
COMMENTS	Rated as one of the top ten United Arts Funds in the US	Derives some funding from gifted commercial assets	In its first two years, the ArtsKC Fund has granted \$1m to local arts	RACC administers other grants programs as local arts authority	Partners include United Way, Canadian Heritage, Canada Council	Success story in achieving greater stability of member companies.	

Table 14: Arm's Length Municipal Arts Agencies in Canada

AGENCY	Conseil des Arts de Montreal (1956)	Toronto Arts Council (1974)	Edmonton Arts Council (1995)	Winnipeg Arts Council (2002)	Calgary Arts Development Authority (2005)
MANDATE	<p>As a service organization serving the city's arts community, the Council supports and recognizes excellence in professional artistic creation, production, and dissemination, providing financial support, guidance, and activities that promote dialogue and development.</p> <p>Reports to the Agglomeration Council of Montreal.</p>	<p>The City's arms' length arts funding body plays a major role in sustaining the cultural heart of our city.</p> <p>It supports a wide range of artistic activity, from the emerging artist and arts that challenge convention, to the most established and celebrated institutions.</p>	<p>Non-profit society and charitable organization that supports and promotes the arts community.</p> <p>Activities:</p> <ul style="list-style-type: none"> Invest in festivals, arts organizations and individual artists through municipal, corporate and private funding. Represent arts community to government and other agencies and provide expert advice on issues that affect the arts. Build partnerships and initiate projects that strengthen our community. Create awareness of the quality, variety and value of artistic work produced 	<p>Manage-allocate City arts/cultural funding.</p> <p>Manage City's Public Art Program.</p> <p>Advise on cultural policy.</p> <p>Explore Partnerships</p> <p>Maintain links to City</p> <p>Manage Conditional Grants</p> <p>Create 3 year Business Plans for City Council approval</p>	<p>The Authority plays a leadership role in realizing the potential of arts and culture in Calgary.</p> <p>As the city's designated arts development authority, they are a central hub that learns about, promotes, connects, advocates for and leads strategic initiatives in the arts to animate Calgary as a vibrant cultural centre.</p>
STRUCTURE	<ul style="list-style-type: none"> Registered Non-Profit Arms length City Agency Board of Directors (25) 6 Sub-Committees Executive Director City Treasurer as Ex-officio Inclusion in City Charter 19 staff 	<ul style="list-style-type: none"> Registered Non-Profit Arms length City Agency Arts Advisory Panel Board of Directors (29) 7 Sub-Committees Foundation Board (14) Executive Director Authorized by Bylaw 15 staff 	<ul style="list-style-type: none"> Registered Non-Profit Arms length City Agency Member Based Board of Directors (17) Public Art Committee Executive Director Authorized by Bylaw 8 staff 5 w/ box office 	<ul style="list-style-type: none"> Registered Non-Profit Arms length City Agency Member Based Board of Directors (15) Public Art Committee Executive Director Authorized by Bylaw 6 staff 	<ul style="list-style-type: none"> Registered Non-Profit Arms length City Agency Board of Directors (15) President, CEO 11 staff

FUNCTION AREAS	<ul style="list-style-type: none"> • City Grants Fund • Arts Touring • Facility Operation • Awards Presentation • Fiscal Sponsorship • International Exchanges • Development Support • Research • Administration • Other 	<ul style="list-style-type: none"> • Council: • City Grants Fund • Loan Fund • Outreach Initiatives • Research-Resources • Website Promotion • Foundation: • Trusts/Endowment • Arts Awards • Mayor's Luncheon • Outreach /Awareness 	<ul style="list-style-type: none"> • City Grants Fund • City Public Art Program • Endowment Funds • Administration • Poet Laureate • Research-Resources • Box Office (Tix on the Square) • Winter Light Festival • Arts Habitat Association (work space registry) 	<ul style="list-style-type: none"> • City Grants Fund • City Public Art Program • Arts Awards • Mayor's Luncheon • Research-Resources • Development Support 	<ul style="list-style-type: none"> • City Grants Fund • Research- Resources • Policy Development • Website Promotion • Live RUSH Ticket Promo • Pechakucha Events • Speaker Series
AGENCY	Conseil des Arts de Montreal (1956)	Toronto Arts Council (1974)	Edmonton Arts Council (1995)	Winnipeg Arts Council (2002)	Calgary Arts Development Authority (2005)
2008 BUDGET	Gross: \$10,999,892 Revenue Breakdown: City: \$10,200,000 Partners: \$449,700 Revenues: \$213,365 Events: \$87,955 Other: \$48,872	Gross: \$11,348,492 Revenue Breakdown: City: 1) Grants: \$10,210,300 2) Operations: \$983,000 Other Grants: \$56,252 Interest: \$55,347 Misc.: \$43,293	Gross: \$7,293,957 Revenue Breakdown: City : 1) Grants: \$4,450,000 2) General: \$425,778 3) Programs: \$513,500 Funds Income: \$179,687 Other Income: \$38,331 Memberships: \$10,050 Box Office: 1) Gross Sales: \$1,015,944 2) Commission, etc: \$46,184	Gross: \$ 4,084,927 Revenue Breakdown: City: \$4,032,552 Funds Income: \$39,883 Other: \$12,492	Gross: \$6,084,863 Revenue Breakdown: City: 1) Grants: \$3,448,500 2) General: \$755,396 Partners: \$58,020 Other: \$66,834 Interest: \$26,318 Misc: \$17,905 Sub-total: \$4,372,975 Special Event: Juno Awards Rev: \$1,661,888
		Toronto Arts Foundation Revenues: \$355, 830	City Capital Contributions: Public Art : \$ 1,011,329	City Capital Contributions: Public Art Fund: \$100,000 NB Fund Balance= \$945,188	



<p>CITY GRANTS COM-PONENT</p> <p>NB All juried programs</p>	<p>Allocated: \$ 9,110 557</p> <ul style="list-style-type: none"> • Operating Grants • Project Grants • Touring Support • Cultural Exchanges • Emerging Artists <p>Partnered :</p> <ul style="list-style-type: none"> • Emerging Practices • Artists in Residence • Writers in Residence 	<p>Allocated: \$10.3 million</p> <ul style="list-style-type: none"> • Operating Grants • Individual Artists • Community Arts • Project Grants 	<p>Allocated: \$4,331,300</p> <ul style="list-style-type: none"> • Arts / Festivals Organizations • Building Operation Grants • Individual Artists • Community Arts • Cultural Diversity • Travel Support • Project Grants (Orgs & Artists) • Emergency Support <p>Administers 3 funds:</p> <ol style="list-style-type: none"> 1) Lee Fund for the Arts 2) Edmonton Artist Trust Fund (Community Foundation holds) 3) TransAlta City Festival Funds <p>Community Box Office promotes local arts activities and includes Ticket Master outlet.</p>	<p>Allocated: \$ 3,724,975</p> <ul style="list-style-type: none"> • Operating Grants • Individual Artists • Professional Development • New Creations Fund • Project Grants (Orgs) • Downtown Festivals • Youth Arts Initiative <p>Awarded \$2m and Cultural Capitals of Canada designation for 2010.</p>	<p>Allocated: \$3,448,500</p> <ul style="list-style-type: none"> • Professional : <ul style="list-style-type: none"> ▪ Large Organizations ▪ Small Organizations • Community • Festival Project Grant • Special Project Grant <p>Hosted Juno Awards in 2008</p> <p>Arts Spaces Investment Capital Plan: City commits to 10 year investment framework for cultural spaces expected to generate \$1b in capital</p>
<p>COMMENTS</p>	<p>Partnerships with the Montreal Region, the Province and the Junior Chamber of Commerce</p> <p>Fiscal Sponsorship: intermediary financial service offered to donors of specific arts groups to ensure oversight of funds.</p>				

ANALYSIS

- **City-wide, alternative investment strategies provide an added dimension to income stabilization, public awareness and public stewardship.**
 - Whether we are speaking about Canadian or US based models, city-wide approaches to fundraising enhance existing organization-led efforts and create an additional tier of investment for professional arts sustainability.
 - In review of total dollars invested and resulting leveraged ROI, the evidence is strongly indicative of the fact that partnered campaigns, whether for working capital and/or endowments result in greater levels of investment overall. These results warrant a further study to determine which instruments and strategies would prove most feasible for Ottawa in the short and longer term. Given the recent launch of the Canadian Cultural Investment Fund, timing is of the essence in moving forward.
 - The primary aim of all these funds is to provide annual, sustainable funding to a select group of arts organizations; providing ongoing support that recipients can rely on every year. However, high profiled promotions and celebrations which accompany these fundraising campaigns are essential in that they increase public awareness of the arts as well enhance community building opportunities including in the work place. As such, they serve as an effective vehicle to better inform other stakeholders about the importance of the arts within their communities as well as instil a sense of ownership and civic pride.
 - It is interesting to note that in the case of united arts funds, levels of investment actually increased during the last economic downturn in the beginning of the decade and even in 2008 where more emphasis was placed on workplace giving campaigns. The more diversified the funding instruments and the investment sources are, greater economic resilience is experienced. The fact that over \$100m is generated annually across the US from a federated approach speaks to their continuous appeal for area businesses, civic and business leaders and the general public.
 - Given the level of federal competitiveness for private support, there is a need to adopt more city-wide strategies in order to achieve a similar scale of revenue generation and public profile.

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- **There is a growing trend towards the practice of consolidating municipal/private and partner sponsored investment products under a centralized, arm's length local arts authority.**
 - Research on investment instruments has naturally evolved into an investigation into the governing bodies established to manage these funds and instances where the municipal arts authority acts as the governing body for public and private investment funds. The concept of arm's length local arts agencies is quite common in major cities across the US and Canada. Five of the seven major cities across Canada have established an arm's length arts authority.
 - These agencies act as the City's official granting body much in the way federal and provincial arts councils function. Municipal funds are transferred annually for allocation and distribution by the agency in an arm's length, professional capacity. These agencies also engage a diverse group of private and public partners in the delivery of other services which may include:
 - alternate sources of financial investment including arts endowments
 - marketing support, public awareness campaigns and special events
 - development support for emerging/established organizations and artists,
 - advisory service on City policy and priorities,
 - research and information resources

The development of a similar local arts authority within Ottawa is worthy of further investigation.

4.2 DETAILED SUMMARIES OF MODELS REVIEWED

INDEX

A	UNITED ARTS FUNDS: ESTABLISHED MODELS
A.1	Greater Hartford CT: Consolidating Public-Private Resources
A.2	Seattle-Tacoma, WA: Closing the Sustainability Gap
B	UNITED ARTS FUNDS: EMERGING MODELS
B.1	Kansas City, MO: Emerging Success Story
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C	CANADIAN MODELS
C.1	Toronto Arts Foundation: Consolidated Approach to Private Support
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A. ESTABLISHED US ARTS FUNDS

A1: CONSOLIDATING PUBLIC & PRIVATE RESOURCES

City/Metro Area & Population	Greater Hartford, Capitol Region of Connecticut <ul style="list-style-type: none"> ➤ Metro population: 1.2million ➤ City of Hartford serves as the State Capitol ➤ City of Hartford population: 124,512
Agency	Greater Hartford Arts Council Est. 1971 letsgoarts.org <ul style="list-style-type: none"> ➤ Official Local Arts Authority serving the metro area ➤ Provides services to 34 municipalities/towns in the region ➤ HQ in Hartford with 2 satellite offices (East & West)
Funding Instrument(s)	United Arts Campaign: GHAC Annual Operating Funding Base United Arts Campaign represents an amalgam of funds generated from both public/private sources to cover Arts Council's annual operations including grants, public programs and support services.
Financial Information <ul style="list-style-type: none"> ➤ Total Budget ➤ Funding Sources ➤ Activities 	<ul style="list-style-type: none"> ➤ UAC raises approx. \$4.3m annually (2006-2008) ➤ Contributions Breakdown: <ul style="list-style-type: none"> • 1/3 from corporate contributions (250 area businesses) • 1/3 from workplace giving campaigns (60 corporations) • 1/3 from individual donors and public sources including state/local agencies ➤ Campaign contributions represent 81% of total GHAC operating revenues ➤ Most are unrestricted, some are designated for special funding purposes ➤ Campaign kicks off in March and runs until June each year ➤ Remaining revenues generated by fee for service grants, commercial operations (rentals, sales) interest income, etc.
Activities Supported <ul style="list-style-type: none"> ➤ Grants ➤ Programs ➤ Support Services 	Provides Grants & Services to over 150 area organizations Expenditure Breakdown: \$5.6m in 2006 <ul style="list-style-type: none"> ➤ Annual Grants Program: \$2.2m Funding Categories: <ul style="list-style-type: none"> • Operating Grants for Large, Mid-sized & Small Organizations • Neighborhood Arts & Heritage Grants • Neighborhood Studio Grants • Heritage Advancement Grants • Public Art Grants • Community Events Grants • Sculpture Walk Grants ➤ Arts Education & Neighborhood Studios: \$356k ➤ Arts & Community Promotion: \$1.1m ➤ Facilities Management (Arts Centre): 446k ➤ Hartford Proud & Beautiful (partnered downtown beautification): 750k ➤ GHAC operations: 827k (admin & fundraising)
Governance Oversight Administration	<ul style="list-style-type: none"> ➤ Board of Directors oversee Council's operation ➤ Campaign falls under the guidance of an appointed Chair and a Cabinet comprised of local business leaders ➤ GHAC staff coordinate the Campaign (see Highlights)
Priorities	Strategic Plan 2005-2010 objective is to increase UAC target to \$6.5m, \$8m in overall revenue by 2010. Fundraising Strategies include: <ul style="list-style-type: none"> • targeted strategies to increase workplace giving and corporate match-ups • build direct mail membership contributions and special event revenues • double existing government support/collaborations • double existing foundation support/collaborations
Highlights	<ul style="list-style-type: none"> ➤ Rated as one of the top ten United Arts Funds in the US ➤ In 2008, the Hartford Foundation for Giving awarded a 2 yr, \$1m grant to GHAC – a portion of which will be allocated to the creation of 2 full-time work place giving campaign staff.

A 2: CLOSING THE SUSTAINABILITY GAP

City/Metro Area & Population	Seattle – Tacoma Metropolitan Area, Washington <ul style="list-style-type: none"> ➤ Comprised of King and Pierce Counties (Seattle/Tacoma/Bellevue) ➤ Metro population: 3.2million ➤ City of Seattle Population: 582,174 ➤ City of Tacoma Population: 193,556
Agency	ArtsFund and The ArtsFund Foundation Est. 1969 artsfund.org Serves as a metro area arts funding umbrella in addition to other local arts authorities including: <ul style="list-style-type: none"> ➤ City of Seattle, Office of Cultural Affairs ➤ Tacoma Arts Commission ➤ 4Culture (formerly King County Arts Commission)
Funding Instrument(s)	<ul style="list-style-type: none"> ➤ ArtsFund: Annual Fundraising Campaign (core source of funding) ➤ ArtsFund Foundation: housing of 13 separate arts endowment funds with assets totalling over \$11m (restricted/unrestricted) ➤ Income/revenues generated by other sources/assets
Financial Information <ul style="list-style-type: none"> ➤ Total Budget ➤ Funding Sources ➤ Activities 	ArtsFund generated \$4.2m in 2008 Contributions Breakdown: <ul style="list-style-type: none"> • Campaign: Over \$2.4m from corporate sector (350) • Campaign \$1.2m from individual donors & workplace giving (1,500) • \$600k other revenue sources • plus \$600k identified as in-kind contributions
Activities Supported <ul style="list-style-type: none"> ➤ Grants ➤ Programs ➤ Support Services 	Expenditure Breakdown: \$5m <ul style="list-style-type: none"> ➤ General Operating Grants to beneficiaries: 70 in 2008 - \$3m (60%) <ul style="list-style-type: none"> • Charter Members: annual sustaining funding: \$2.4m • Continuing Member: guaranteed % funding per year & • Member: year-by-year allocations: \$600k ➤ Fundraising: \$600k (11%) ➤ Program Services: (arts calendar, training, art education) \$400k (8%) ➤ Management: \$500k (10%) Facility Mgt: 160k (3%) In-kind expenses: \$400k (10%)
Governance <ul style="list-style-type: none"> ➤ Oversight ➤ Administration 	<ul style="list-style-type: none"> ➤ ArtsFund Board of Trustees: a board of 70+ private philanthropists and corporate leaders representing the region's largest and most successful companies. ➤ Associates: annual campaign advanced by a 120-member cadre of fundraising volunteers, twenty of whom work in Pierce County, and a 10 member Cabinet also working in Pierce County. ➤ Pierce and King Counties Allocation Committees (2): review applications and interview representatives of all arts groups, recommending grants to the ArtsFund Board ➤ ArtsFund Foundation Board: provides governance to the endowment portfolio selects the endowment manager and determine annual amount of disbursements. Funds managed by Bank of America. ➤ ArtsFund staff provide coordination for campaign and funding disbursements
Priorities	<ul style="list-style-type: none"> ➤ State of the Art Survey Report published 2009 ➤ Reductions in endowment income due to economy ➤ Increased amounts from donors have offset income losses ➤ Acknowledges fundraising challenges ahead for 2009
Highlights	<ul style="list-style-type: none"> ➤ Rated as one of the top ten United Arts funds in the US. ➤ Associates Program is a volunteer recruiting initiative for the Annual Campaign providing leadership and networking skills – 5-7 hour commitment per month. Associates Program responsible for raising \$670,000 of total funds raised by Campaign. ➤ Individual giving topped \$1m with approximately 50% sourced from workplace giving campaigns (an increase of 14%) ➤ Five employee drives topped the \$30,000 mark, demonstrating the potential of this revenue stream that is unavailable to individual arts groups. ➤ Endowment donors established under ArtsFund umbrella for their grant-making expertise ➤ ArtsFund also derives revenues from two donated commercial assets including: <ul style="list-style-type: none"> • King FM Radio: 1/3 ownership in a classical FM radio station (dividends split between Seattle Symphony, Seattle Opera and ArtsFund) – funds designated to support music discipline • Century Building: a 15,000 sq. ft. office building - serves as ArtsFund HQ plus rental office spaces ➤ In 2008, Safeco Insurance Foundation awarded \$500,000 over the next five years to the Foundation (\$100k per year).

B1: EMERGING SUCCESS STORY

City/Metro Area & Population	Metro Kansas City, Missouri - Kansas Metro population: 1,985,429 Kansas City, MO population: 450,375 (anchor city)
Agency	The Arts Council of Metro Kansas City Est. 1999 artskc.org Serves as the area's local arts agency with a metro area including 5 counties straddling the border between the states of Missouri and Kansas. Community Foundation largely responsible for its inception.
Funding Instrument(s)	ArtsKC Fund Est. 2007 ➤ Distinct funding instrument within Arts Council operations
Financial Information ➤ Total Budget ➤ Funding Sources ➤ Activities	➤ ArtsKC Fund raised \$501,754 in its "beta" year in 2007 ➤ Raised \$725 in 2008 (details not published as yet) ➤ 2007 Contributions Breakdown: <ul style="list-style-type: none"> • Workplace Giving: \$195,264 (35 area employers) • Corporate & Individual Donors \$210,000 • Other (Kansas City MO) \$96,490
Activities Supported ➤ Grants ➤ Programs ➤ Support Services	➤ 2007 Expenditure Breakdown: \$400,052 ➤ Funds are focused on grant giving to artists, arts organizations and programs by category: <ul style="list-style-type: none"> • Ovation Grants: 17 well-established regional groups (70% of funding) • Catalyst Grants: 29 arts programs, outreach initiatives (25%) • Inspiration Grants: 14 artists for projects/career development (5%)
Governance ➤ Oversight ➤ Administration	➤ Arts Council Board of Directors provides oversight to the Fund ➤ Grants Panels for each category determine grant allocations ➤ Dedicated Director for Workplace Giving Campaign ➤ Dedicated Director for Grants Allocation
Priorities	➤ 2009 Campaign launched February, 2009 with Opening Celebration ➤ 2009 Campaign Targets: <ul style="list-style-type: none"> • 70+ workplace campaigns for total of \$300,000 • Overall fund goal remains at \$725,000 (2008 levels) ➤ Metro still lacking in dedicated public funding for the arts at the local level—Arts Council continues to advocate for local public investment.
Highlights	➤ Rated as the most successful UA Fund to be launched in 20 years ➤ 2007 Campaign exceeded workplace giving targets by 30% <ul style="list-style-type: none"> • Average Gift (including corporate contributions) \$102.13 • Average Gift (not including corporate contribution) \$80.81 • Total number of employees reached 19,780 • Average participation rate 9.67% • Number of employee contributors 1,912 • In two years, the ArtsKC Fund has granted out \$1 million to the arts

B2: ENGAGEMENT THROUGH MATCH-UP INCENTIVES

City/Metro Area & Population	Portland Metropolitan Area, Oregon Population: 2,159,720 City of Portland: 575,930
Agency	Regional Arts & Culture Council of Portland (RACC) racc.org Local arts agency serving a tri-county region including the City of Portland.
Funding Instrument(s)	Work for Art Fund Est. 2003 workforart.org Formerly the Regional Arts & Culture Fund
Financial Information ➤ Total Budget ➤ Funding Sources ➤ Activities	➤ Work for Art raised \$560,000 in 2007/08 primarily through workplace giving campaigns in 54 participating area employers and government match-up funds ➤ Contributions can be unrestricted or designated ➤ 100% of all funds raised are directly allocating for general grant-making purposes
Activities Supported ➤ Grants ➤ Programs ➤ Support Services	➤ Funds raised are dedicated to arts and culture organizations focusing on community enrichment through a variety of performances and events, arts education programs and partnerships with health and social service agencies. ➤ In2008, funds were allocated to 75 arts & culture organizations NB: RACC also administers other grants programs including operating, project, professional development and one-time “opportunity” grants as well as grants to support individual artists (project, fellowship, PD). RACC revenues for 2008 were \$5.6m, \$3.7m or 67% sourced by City of Portland.
Governance ➤ Oversight ➤ Administration	➤ RACC Board of Directors provides general oversight ➤ Campaign Cabinet comprised of 9 business and civic leaders ➤ Dedicated Fund Campaign Manager
Priorities	RACC Dedicated Funding Initiative ➤ Current local government support is about \$4.92 per capita in the City of Portland, and \$2.40 per capita throughout the tri-county region lags significantly behind all other major West Coast cities including Seattle, San Francisco, Oakland, San Jose, Sacramento, and Los Angeles ➤ Current arts funding gap estimated at \$15m per year to help stabilize arts organization, build stronger cultural community and fund new creative economy initiatives. ➤ Recent increases have been allocated towards Work for Art match-up program and arts education initiatives ➤ Work for Arts Funding target for 2009 is \$725,000 ➤ 2010 Goal: 100 companies participating through workplace giving
Highlights	➤ Match-up Funds: For every dollar donated, a public matching challenge fund from the City of Portland and Clackamas, Multnomah, and Washington Counties makes a matching donation to Work for Art. ➤ Corporations may also offer match-up funds as incentive ➤ Arts Card: In appreciation of gifts of \$60 or more to Work for Art, donors receive an Arts Card, which provides a full year of 2-for-1 tickets and other discounts at hundreds of arts and culture events held by 51 funded arts and culture organizations

C1: Consolidated Approach to Private Support

City/Metro Area & Population	City of Toronto Population: 2.5m
Agency	<p>Toronto Arts Council Est. 1974 Toronto Arts Foundation Est. 1995 (formerly Toronto Arts Council Foundation)</p> <ul style="list-style-type: none"> ➤ TAC serves as an arms length local arts agency under the auspices of the City's Cultural Services Branch. ➤ Foundation serves as a 'sister organization' to the TAC.
Funding Instrument(s)	<p>Consolidated Approach to Private-Partnered Support</p> <ul style="list-style-type: none"> ➤ Cash instruments (unrestricted) ➤ Donor designated endowments and legacy funds (restricted)
Financial Information ➤ Total Budget ➤ Funding Sources ➤ Activities	<ul style="list-style-type: none"> ➤ Arts Fund revenues generated for 2007 = \$356k Summary of Contributors: (breakdown not provided) <ul style="list-style-type: none"> • Partners (public agencies + corporate sponsors) • Corporate Donors • Individual Donors and Pledges <p>NB. The Foundation also manages a few donor designated funds which are used to support individual awards such as the William Kilbourn Award for the Celebration of Toronto's Cultural Life.</p>
Activities Supported ➤ Grants ➤ Programs ➤ Support Services	<p>Total Expenditures FY 2007 = \$345,000</p> <ul style="list-style-type: none"> • Grants: 198k (57.4%) • Awards: \$78k (22.6%) • Purchased services: \$55k (16%) • Investment/Management Fees: \$12k (3%) • Other (amortization): \$3k (1%) <p>Fund increases and diversifies TAC supports enabling it to support special projects and initiatives as follows: Outreach, Awareness Grants and Awards for FY2007 include:</p> <ul style="list-style-type: none"> • Creative City Block by Block • Toronto Arts Coalition • Toronto Arts Council Foundation Awards • Mayor's Arts Awards Lunch • The Toronto Art Holiday Shopping Guide, the Summer • Festival Guide and TACF Newsletter • Arts Volunteer Network
Governance ➤ Oversight ➤ Administration	<ul style="list-style-type: none"> ➤ Foundation Board of Directors provide oversight to Fund ➤ Arts Council's Executive Direct also serves as Foundation ED ➤ Foundation has dedicated investment manager as part of TAC staff
Priorities	<ul style="list-style-type: none"> ➤ Becoming the City's primary arts foundation and creating opportunities for philanthropy in the arts.
Highlights	<ul style="list-style-type: none"> ➤ Over the past 12 years the Toronto Arts Council Foundation has distributed over \$1.5 million dollars in grants and awards ➤ Established partners include the United Way of Greater Toronto, Department of Canadian Heritage, Canada Council for the Arts, Great-West Life and RBC Foundation. These partners provide cash and contributions which help to leverage existing revenues.

C2: UNITED CAMPAIGN FOR SUSTAINABILITY

City/Metro Area & Population	City of Toronto Population: 2.5m
Agency	Creative Trust for Arts and Culture Inc. Est. 2003
Funding Instrument(s)	Working Capital for the Arts Program/Fund Scheduled to end by 2010
Financial Information ➤ Total Budget ➤ Funding Sources ➤ Activities	➤ Multiyear target of raising/leveraging \$6.2m from diverse partnerships and donors: <ul style="list-style-type: none"> • Department of Canadian Heritage (CAHSP) • Canada Council for the Arts • Ontario Arts Council • Ontario Trillium Foundation • Ontario Ministry of Culture • City of Toronto • Toronto Community Foundation • Private Foundations • Corporate Donors • Individual Donors
Activities Supported ➤ Grants ➤ Programs ➤ Support Services	➤ Focused delivery of long-term, capacity building assistance to 21 mid-sized performing arts organizations with operating budgets ranging from \$400k to \$4m. Strategies include: <ul style="list-style-type: none"> • Matching Grants for Deficit Reduction • Working Capital Awards • Building Skills Program (in-house sessions, seminars, roundtables) ➤ Outreach Learning – shared learning experience for an additional 30 small and culturally diverse organizations residing within the GTA.
Governance ➤ Oversight ➤ Administration	➤ Board of Directors provide oversight to Fund ➤ Advisory Council ➤ Administration including technical consultants
Priorities	➤ As the Working Capital for the Arts program winds down, Creative Trust is currently assessing and planning future directions. New funding has come forward in order for the Trust to continue providing learning opportunities to the arts sector - with particular focus on audience development.
Highlights	➤ 2007 Annual Report: <ul style="list-style-type: none"> • Awarded its eligible members with \$820,000 in matching deficit reduction and working capital awards, for a grand total of over \$2.85 million since 2005. • In terms of capacity building: 11 group seminars were offered; over 480 hours of individual consultation; 21 company review meetings and two “state of the arts” roundtables. • Assisted member companies to finalize long-range work plans, while helping them deal with changes, transitions and problems. The value of these services, to date, is over \$585,000. • Engaged an additional 30 new members through outreach learning initiative.

5.0 STAKEHOLDER CONSULTATIONS

SUMMARY OF CONSULTATION SESSIONS

Sessions	Issues Affecting Sustainability	Local Needs/Actions
<p>WORKSHOP: “Setting the Stage”</p> <p>Assessing the Cultural Landscape</p> <p>January 26, 2009 Arts Court Theatre</p> <p>25 participants</p> <p>Sponsored by Arts Court</p> <p>Facilitator: Micheline Chevrier</p>	<ul style="list-style-type: none"> dilution of City resources since amalgamation culture deemed irrelevant by City officials culture office now part of Recreation (leadership) unstable funding environment increased competition for funding drop in audiences (economic downturn) lack of young audiences changes in economy (uncertainty) lack of support from mainstream media lack of marketing/promotion resources and expertise visibility issue – federal dominance, pockets of vibrancy (under surface) creation support is minimal 	<p><u>Operating Investment</u></p> <ul style="list-style-type: none"> long term/arms length funding more funds for creation more corporate partners greater tax breaks <p><u>Capital Investment</u></p> <ul style="list-style-type: none"> infrastructure funding (grants) more facility ownership integrated live-work spaces/social housing <p><u>Support</u></p> <ul style="list-style-type: none"> arms length funding agent (City) more arts education in schools better relationships: federal, media, education, youth, and business better national networks more residency programs higher profile and recognition public resources (information) <p><u>Policy</u></p> <ul style="list-style-type: none"> entrenchment in Municipal Act Civic arts policy
<p>FOCUS GROUP 1:</p> <p>“Positioning For the Future”</p> <p>11 participants</p> <p>April 7, 2009 Council for the Arts in Ottawa Board Room</p> <p>Moderated by Peter Honeywell</p>	<p>On Alternate Funding Sources:</p> <ul style="list-style-type: none"> Corporate sponsors and foundation donors: reductions experienced – as much as 50% by some groups – serious impact on annual budgets Difficulties experienced in attracting sponsors from limited pool; greater competition from other sectors and federal venues. Charity events, galas are in “holding pattern” across sectors w/little expectation of new revenues or establishing new events or campaigns Self-generated income/revenues: mixed results: some experienced loss of foundation support, some report levelling of ticket sales and need for targeted audience development, others experienced increase in demand for services Crown cultural institutions have stepped up their fundraising and marketing activities <p>General:</p> <ul style="list-style-type: none"> Smaller entities at greater risk than larger organizations City lacks a “centre” –no place that feels vibrant Arts community lacks capacity to seize opportunities City lacks combined business, political, cultural leadership experienced by other Canadian cities 	<p>On Government Funding:</p> <ul style="list-style-type: none"> Depoliticize the issue of arts support Concern over recent placement of culture back into recreation –debate on future funding decision making. Arts becoming a political football. <p>Collaborative Resource Building:</p> <ul style="list-style-type: none"> Model of interest: Toronto Arts Council (City funding) and Arts Foundation (private funding for special initiatives) Arts education: remove duplication of services –efforts being diluted – affecting overall capacity of existing orgs. <p>Support</p> <ul style="list-style-type: none"> Network of creative hubs to support local artists (possible pilot project) Continue/improve mentoring opportunities in support of smaller enterprises

Sessions	Issues Affecting Sustainability	Local Needs/Actions
<p>ONLINE SURVEY</p> <p>Francophone Client Group Satisfaction Survey</p> <p>35 respondents</p>	<ul style="list-style-type: none"> Inadequate resource services Inadequate spaces and venues for work and presentations Inadequate media coverage/outlets Federal competition for qualified bilingual workers City funding unstable lack of French-speaking artistic programs Lack of public understanding of the arts 	<p>To be determined in further consultation with Francophone Arts Groups</p>
<p>SPECIAL FORUM:</p> <p>“Arts Summit”</p> <p>November 7, 2009 150 participants</p> <p>Hosted by: Paul Dewar, MP Ottawa Centre</p> <p>Presentations by: Peter Honeywell, Susan Annis</p>	<ul style="list-style-type: none"> lack of stable, reliable funding from government sources (federal/local) working within a highly politicized environment (City Hall, Federal) arts capacity building remains an issue lack of proper investment in infrastructure (all) continued issues of visibility under the shadow of the Capital (local/federal) Ottawa’s non-existent reputation as a cultural centre (local) 	<p>Improving the state of arts and culture in Ottawa and Canada:</p> <ul style="list-style-type: none"> government funding should be depoliticized and made permanent (all levels) government grants should be directed to capacity building vs. discretionary programs (all) invest (improve and subsidize) working –presentation spaces for artists (all) incorporate arts in urban and long term planning of municipalities (City) leadership required to re-brand City as an arts hub and to promote its artistic assets (City)
<p>Special Project: A Collaborative Approach to Sustainability in the Arts</p> <p>2009 & 2010</p> <p>Numerous sessions</p> <p>40 participants</p>	<ul style="list-style-type: none"> concerns about the effects of the global economic crisis reduced funding from foundations due to lower investment returns lack of coordination of programs inadequate facilities need for increased arts promotion need to attract leadership individuals need to compensate employees in a competitive environment 	<p>Working groups established to investigate collaborations related to topic priorities</p> <p>Human Resource Issues:</p> <ul style="list-style-type: none"> develop resource list of contract employees with specialized skills investigate General Auditions for theatre groups promote employee group benefits program identify salary discrepancy between City and NFP arts organizations build board leadership recruitment program <p>Facilities Issues:</p> <ul style="list-style-type: none"> create statement of need and distribute to potential partners Open Doors promotion for the arts community. compile multi-disciplinary space inventory and calendar <p>Building Profile:</p> <ul style="list-style-type: none"> promote local cultural consumption develop social media training create co-branding opportunities investigate audience market research

6.0 CONCLUSIONS

OPPORTUNITIES AND BARRIERS

Chapter 1 of this report provides summarized findings of this two year investigation and recommendations for action. Chapter 2 of this report highlights the strengths of Ottawa as a city and its local arts and culture scene. This chapter also summarizes specific opportunities in areas of policy-making and strategic initiatives to not only sustain but raise the bar for local arts and culture. In our research, we have observed other cities making great strides in promoting arts and culture within strategies to improve economic competitiveness. Ottawa is well positioned to initiate similar initiatives provided there is leadership, a shared vision and collaborative spirit to achieve.

Chapter 2 also elaborates on key barriers and challenges experienced by the local community; some of which are unique from a national perspective, but not in comparison to other national capital cities. Stakeholder consultations as outlined in Chapter 5 of this report steered the direction of this inquiry into expanding upon the full scope of obstacles and challenges affecting resident arts and cultural professionals and organizations working in the shadow of a formidable federal presence. These challenges generally fall under three areas:

- Accommodation: the presence of national cultural institutions has ostensibly curtailed the growth of much needed production and presentation spaces if local artists and arts organization are to continue and advance within their resident city.
- Capacity challenges: struggling with immense federal competition for local resources
- Ottawa’s unique culture of “malaise” or non-action perpetuated by the absence of local leadership and disinterested parties at the provincial and federal level. Accessing public funds for arts and culture development is highly competitive by nature. Our research illustrates how the absence of local leadership and disinterest at other levels has created a continuum of lost opportunities. In short, local Ottawa does not get its fair share of available public resources in comparison to other major Canadian cities or in other regions across the province.

Experiences and Practices of Other Capital Cities

Chapter 3 summarizes the information collected from the international component of this investigation. The sample group presented aimed at providing a reasonable cross-section of capital cities in relation to geography, types of governance and shared characteristics. In this instance, Ottawa is able to compare its local experience with other capital cities and determine potential practices of interest and opportunities for future exchanges.

The research presented illustrates a shared understanding of the value and importance of investing and facilitating local cultural expression in close proximity to national institutions. This is clearly evident in the: diversity of programs and services offered; levels of ongoing investment; diversity of accommodations offered, particularly for the benefit of professional tier artists and enterprises.

Comparatively speaking where Ottawa’s apparent reluctance in local arts support is driven by the considerable presence of federal cultural institutions and offerings, the experience is the opposite in

other capital cities; where a full spectrum of support measures are considered imperative in order to sustain local arts presence as a result of an immense federal presence. There is nothing in our research to substantiate the rationale that the federal cultural presence negates an obligation to adequately accommodate arts groups in the heart of their own city.

Perhaps our most disturbing discovery was the surprisingly modest size of Ottawa's supported roster of top tier professional arts institutions in comparison to other capitals as well as other major cities across Canada. Overall, the evidence would suggest that local arts enterprises may be launching and sustaining themselves but few if any are advancing and in some cases, we are witnessing an erosion of our most senior institutions. Practices of interest from other capital cities worthy of further examination have been identified in the course of this investigation. Established connections have opened the door for continued dialogue and exchanges.

Lastly, our research into existing conditions, trends and practices here and elsewhere truly define Ottawa as *the* anomaly; among other major Canadian cities; and, among other national capitals.

Whether intended or not, past and present policies and practices affecting the city translate into the understanding that indigenous cultural expression and local constituencies in support of it (artists, emerging/established cultural professionals, volunteers and consumers) are somehow less worthy of adequate public/partnered investment than other client communities within the City, or similar client communities across the province or country.

ALTERNATIVE INVESTMENT AND GOVERNANCE

Firstly, the City should be applauded in its efforts to shore up the income gap as identified by its Arts Investment Strategy. The research presented in Chapter 4 affirms the Strategy's recommendation to develop city-wide strategies for alternative investment and has outlined several types of city-wide instruments for consideration and implementation including united arts funds and longer term instruments such as endowment funds.

Additionally, our research identified a definite trend in cities across North America where publicly sourced investment programs (City grants/awards) are delegated to arm's length arts authorities. These local arts authorities also manage other investment products and services that are generated from private sources. The information presented provides an interesting new opportunity to look at the consolidation of existing municipal practice of grant-giving with the adoption of alternative investment products and services including a city-wide arts endowment program. The research also illustrates the range of potential services and programs that can be delivered by a central, arm's length agency.

The research and findings as presented within this report aim to provide a fresh perspective for all stakeholders affected and invites the opportunity to engage in new dialogue for moving forward.

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Toronto Arts Foundation: www.torontoartsfoundation.org

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US Commission of Fine Arts: <http://www.cfa.gov>

Winnipeg Arts Council: <http://www.winnipegarts.ca>

8.0 GLOSSARY

The Arts

The term includes, but is not limited to, music (instrumental and vocal), dance, drama, folk art, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, film, video, tape and sound recording, the arts related to the presentation, performance, execution, and exhibition of such major art forms, all those traditional arts practiced by the diverse peoples and the study and application of the arts to the human environment.

‘Arts production’ refers to plays (with or without music), ballet, dance and choral performances, concerts, recitals, operas, exhibitions, readings, motion pictures, television, radio, film, video, and tape and sound recordings, and any other activities involving the execution or rendition of the arts.

The arts are constantly evolving as technology itself evolves. As such there are “emerging practices” pushing and broadening the traditional arts envelope. While a standard definition has yet to be established, emerging types of works can include singular or “blended” productions involving one or multiple disciplinary practices including video, performance, digital and web-based art forms.

Arts/Cultural Districts

An arts or cultural district is a well-recognized, labelled, mixed-use area of a city in which a high concentration of cultural facilities serves as the anchor of attraction. They boost urban revitalization in many ways: beautify and animate cities, provide employment, attract residents and tourists to the city, complement adjacent businesses, enhance property values, expand the tax base, attract well-educated employees, and contribute to creative, innovative environment. While districts are typically unique to each city, they tend to fall under of the following five distinct themes:

- Cultural Compounds
- Major Arts Institution Focus
- Arts and Entertainment Focus
- Downtown Focus
- Cultural Production Focus

The impact of cultural districts is measurable in:

- attracting residents and tourists who also support adjacent businesses such as restaurants, lodging, retail and parking
- enhancing property values, the profitability of surrounding businesses and the tax base of the region
- attracting a well-educated work force - a key incentive for new and relocating businesses
- contributing to the creativity and innovation of a community

Arts Endowment

A public endowment is a stable investment fund that produces interest earnings to be used in support of the arts. The principal of the fund is intended to remain intact, and interest earnings are often

distributed annually as competitive grants to artists and arts organizations. Some communities develop public endowments to provide greater stability and opportunity to the arts community; others intend the endowment to replace existing public sources over time. In both cases, the endowment is established through a commitment of public funds—usually subject to a term of years and an annual cap—that may be used to leverage gifts from private sources such as corporations, foundations, and individuals.

Arts Stabilization Programs

Stabilization Programs are commonly organizations incorporated as not for profit under the Canada Corporations Act, Part II, or provincial or territorial legislation. They are governed by a board of directors representing a broad range of community stakeholders and administered by a team of professionals within a specific geographic region. These programs can offer a range of services including technical expertise, deficit reduction and building working capital reserves.

Provincial and local based stabilization programs began appearing across Canada in the late nineties in response to an increasing financial crisis experienced by large arts institutions across Canada. While individually most performing arts companies break even, taken as a whole they carried an accumulated deficit of \$27 million at the end of 1996-97. Of this amount, 85% was attributable to the 82 largest companies and almost half to 17 large orchestras. Given such chronic financial problems, Canadian governments in various jurisdictions have introduced arts stabilization programs - public and private sector partnerships intended to help organizations eliminate deficits, build up working capital, enhance their organizational capacity, and achieve long-term stability. The first stabilization programs in Canada were launched in Alberta and Vancouver with resources from foundations, the federal and provincial governments, and in the case of Vancouver, the city.

Capacity Building

Capacity building for a not-for-profit organization has often been defined as activities or actions that increase and sustain its effectiveness. These can include good governance, solid leadership, a clear mission, vision and values, responsive program development, diversified revenue and strong management support systems.

Organizational capacity building is a process that strengthens four interrelated pillars –the relevance, responsiveness, effectiveness and resilience of not-for-profit organizations. Organizational capacity building is inextricably linked with community capacity building. When organizations build their own capacity, they help build healthy and vibrant communities at the same time.

Creative Economy

The “creative economy” is an evolving concept based on creative assets potentially generating economic growth and development.

- It can foster income-generation, job creation and export earnings while promoting social inclusion, cultural diversity and human development.
- It embraces economic, cultural and social aspects interacting with technology, intellectual property and tourism objectives.
- It is a set of knowledge-based economic activities with a development dimension and cross-cutting linkages at macro and micro levels to the overall economy.
- It is a feasible development option calling for innovative, multidisciplinary policy responses and interministerial action.
- At the heart of the creative economy are the creative industries.

Creative Cities

The idea of a creative economy has also been applied specifically to the economy of cities, leading to the emergence of the concept of a “creative city”. This term describes an urban complex where cultural activities of various sorts are an integral component of the city’s economic and social functioning.

Such cities tend to be built upon a strong social and cultural infrastructure, to have relatively high concentrations of creative employment, and to be attractive to inward investment because of their well-established cultural facilities.

Crown Agencies and Institutions

An agency wholly owned directly or indirectly by government in lieu of the Crown. They are arm’s length instruments of both federal and provincial governments; providing stewardship over highly specialized functions and/or Crown-owned assets. Crown agencies are further distinguished by the presence of specific legislation or “act” articulating mandate and guidelines for operation. Crown Agencies are diverse in range and field of services provided. Crown-designated cultural institutions typically include museums, art galleries and performing arts centres; which are mandated to preserve, collect, interpret and present the historic narrative and artistic excellence of a defined region, a nation and its peoples.

Culture

There are diverse meanings to this term. For the purposes of this study, reference to culture generally encompasses the arts (i.e., visual, literary, performing, media arts and, design) but can also include library, archives and heritage resources; and socio-cultural activities as practices and preserved in a community. These practices can be *multicultural* in nature and reflect the beliefs, experiences and creative aspirations of a people in a specific geographic and political area.

Cultural Tourism

The search for and participation in new or distinct cultural experiences. This form of tourism incorporates a variety of cultural forms including museums, galleries, festivals, architecture, historic sites, artistic performances, and heritage sites; as well as experiences that bring one culture in contact with another for the specific purposes of that contact.

Professional Artists and Organizations

According to the Canada Council of the Arts, a professional artist:

- has specialized training in his or her artistic field (not necessarily obtained in an academic institution);
- is recognized as such by his or her peers (artists working in the same artistic tradition);
- is committed to devoting more time to the artistic activity if this becomes financially feasible; and,
- has a history of public presentation.

By extension, a professional arts company or organization supports, presents or produces the work of professional artists.

United Arts Funds

A UAF is a combined or federated appeal for arts funding conducted annually to raise unrestricted monies on behalf of three or more arts, culture, and/or science organizations. While these campaigns traditionally focus on corporate, individual, and workplace giving, they also may include government support. Traditionally, distribution of the pooled funds has been for unrestricted operating support, but options for special projects and donor designated funding are increasingly being included. United Arts Funds are community-specific fundraising organizations that distribute earned funds to the arts organizations in their communities.

The UAF movement began in 1949, when civic leaders in Cincinnati, OH, and Louisville, KY, determined that community-wide campaigns, loosely based upon the United Way model, could raise substantially more money to provide ongoing operating support to their major arts institutions. Over the past 54 years, more than 100 communities across the country—both large and small—have established UAFs with more than 60 currently operating in the United States.

Whether they are independent entities or initiatives within multi-faceted agencies, UAFs draw on broad-based leadership to integrate the needs and offerings of a region's cultural assets with the larger civic agenda. Thus, they play a unique role in enhancing local economic development and quality of life.

TABLE 1: CREATIVE INDUSTRIES DEFINED

INDUSTRY CATEGORIES AND NAICS CODES	
ADVERTISING	541810 Advertising Agencies
	541830 Media Buying Agencies
	541840 Media Representatives
	541850 Display Advertising
	541860 Direct Mail Advertising
541899 All Other Services Related to Advertising	
ARCHITECTURE	541310 Architectural Services
	541320 Landscape Architectural Services
ARTISTS	453920 Art Dealers
	711511 Independent Artists, Visual Arts
	711512 Independent Actors, Comedians and Performers
	711513 Independent Writers and Authors
BUSINESS CONSULTING	541611 Administrative Management and General Management Consulting Services
	541612 Human Resources Consulting Services
	541619 Other Management Consulting Services
DESIGN	541410 Interior Design Services
	541420 Industrial Design Services
	541430 Graphic Design Services
	541490 Other Specialized Design Services
EDUCATION	611210 Community Colleges and C.E.G.E.P.s
	611310 Universities
	611410 Business and Secretarial Schools
	611420 Computer Training
	611430 Professional and Management Development Training
	611610 Fine Arts Schools
ENGINEERING	541330 Engineering Services
	541620 Environmental Consulting Services
	541690 Other Scientific and Technical Consulting Services
	541710 Research and Development in the Physical, Engineering and Life Sciences
	541720 Research and Development in the Social Sciences and Humanities
FILM	512110 Motion Picture and Video Production
	512120 Motion Picture and Video Distribution
	512130 Motion Picture and Video Exhibition
	512190 Post-Production and Other Motion Picture and Video Industries
GAMES	334610 Manufacturing and Reproducing Magnetic and Optical Media
	339930 Doll, Toy and Game Manufacturing
	414460 Toy and Hobby Goods Wholesaler-Distributors
HERITAGE	712120 Historic and Heritage Sites
	712130 Zoos and Botanical Gardens
	712190 Nature Parks and Other Similar Institutions

MARKETING	541910	Marketing Research and Public Opinion Polling
MUSEUMS	712111 712115 712119 813210	Non-Commercial Art Museums and Galleries History and Science Museums Other Museums Grant-Making and Giving Services
MUSIC	512230 512240 512290	Music Publishers Sound Recording Studios Other Sound Recording Industries
PERFORMING ARTS	711111 711112 711120 711130 711190 711311 711319 711321 711322 711329 711410	Theatre (except Musical) Companies Musical Theatre and Opera Companies Dance Companies Musical Groups and Artists Other Performing Arts Companies Live Theatres and Other Performing Arts Presenters with Facilities Sports Stadiums and Other Presenters with Facilities Performing Arts Promoters (Presenters) without Facilities Festivals without Facilities Sports Presenters and Other Presenters without Facilities Agents/Managers for Artists, Athletes, Entertainers, Other Public Figures
PHOTOGRAPHIC SERVICES	541920	Photographic Services
PUBLIC RELATIONS	541820	Public Relations Services
PUBLISHING	511110 511120 511130 511140 511190 519110	Newspaper Publishers Periodical Publishers Book Publishers Directory and Mailing List Publishers Other Publishers News Syndicates
RADIO & TELEVISION	515110 515120 515210	Radio Broadcasting Television Broadcasting Pay and Specialty Television
WEB & SOFTWARE	511210 517210 518210 519130 519190 541510	Software Publishers Wireless Telecommunications Carriers (except Satellite) Data Processing, Hosting and Related Services Internet Publishing and Broadcasting and Web Search Portals All Other Information Services Computer Systems Design and Related Services

Source: "Eastern Ontario: Canada's Creative Corridor", Martin Prosperity Institute, University of Toronto (Miller, Dickinson, Blais Inc), 2009