

ARTS

and the CAPITAL CITY

Summary 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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Peter Honeywell
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Introduction

This Summary Report highlights the research, findings and directions following the conclusion of a two-year study titled Arts and the Capital City. This project examined the unique position that artists and resident arts organizations face as they work in the national capital. We researched historical information, provincial capitals, national capitals, investment opportunities, governance models and community priorities.

The study was initiated following two decades of frustration by Ottawa's professional arts community. It appeared our city was not keeping pace with Canada's other large urban centers. Anecdotal evidence of neglect and a growing recognition that the local cultural community lived in the shadow of the Peace Tower, were generally accepted. Following the amalgamation of the City of Ottawa in 2000, and the Smart Growth Summit of 2001, the Ottawa 20/20 Arts and Heritage Plan was approved. There was a sense of optimism that the city was about to embark on a new approach to arts support.

Perhaps one of the most significant initiatives undertaken by the City of Ottawa has been the Arts Investment Strategy/ Festival Sustainability Plan. This four-year initiative, begun in 2007, 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%.

There is a universal understanding that the health and wellbeing of locally-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.

The lack of momentum towards the establishment of arts facilities in the urban core, threats from two successive municipal city councils in 2004 and 2008 to slash professional arts funding and the increasing competition from a growing federal cultural presence had created an environment of increased uncertainty and cycles of crisis.

The Full Report version of this study 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.

Research

LITERATURE AND DATA REVIEW

Collection and review of a broad range of documents relevant to established topic areas. See Resource List in Full Report.

RESEARCH TASKS BY TOPIC AREAS

1) Ottawa In Profile:

- A) Strengths and Opportunities Identified
 - i) Strengths in Creativity, Diversity and the Arts
 - ii) New Opportunities Identified: existing and anticipated policy, investment/partnership initiatives (Profile Data Inventory)
- B) Barriers and Challenges Identified
 - i) Local Accommodation and Visibility Issues: Post Ekos Study 1988: Review of Federal and Local Arts/Culture Infrastructure Development (Comparative Analysis)
 - ii) Capacity – Development Issues: Assessing the Impact of Federal Presence and Competition on Local Arts Sustainability (Impact Analysis)
 - iii) Leadership – Stewardship Issues: Review: Ottawa’s Participation in the Canadian Arts and Heritage Sustainability Program (Comparative Analysis)

2) International Research

National Capital Cities Review: Local Arts Experiences and Practices in Other Capital Cities
Five Capitals in Review: Washington, DC, Canberra, Berlin, Prague and Helsinki.
(Knowledge Building – Comparative Analysis)

3) Strategies To Advance

Completing the Arts Investment Strategy:
Exploration of City-Wide Alternative Investment/Governance Models in Canada and the US:

- United Arts Funds: four models for united arts campaigns in the US
- Canadian Models: Creative Trust (TO) and Toronto Arts Foundation
- Governance Models: Municipal Arm’s-length Arts Authorities in Canada (Montreal, Toronto, Edmonton Calgary, Winnipeg) (Knowledge Building)

FINDINGS ANALYSIS

Synthesis of all data and information generated/collected from various sources for the purpose of achieving a consolidation of key findings and recommendations for action

DISSEMINATION OF KEY FINDINGS AND RECOMMENDATIONS

- Summary Report: Findings and Recommendations
- Full Report: Research Summaries, Consultations, Resources

Stakeholder – Expert Consultations

STAKEHOLDER CONSULTATIONS

1) Workshop: “Setting the Stage”:

January 26, 2009 at Arts Court Theatre (sponsored by Arts Court)

Purpose: *engage representational segment of stakeholders in dialogue to help set/direct future directions for Arts Court and for the project’s agenda.*

2) Focus Group: “Positioning for the Future”

April 7, 2009 CAO Board Room

Purpose: *initiate focused dialogue on sustainability: identification of barriers and possible collaborative strategies.*

3) Online Survey: Francophone Arts Community

Fall 2009

Purpose: *identifying barriers and challenges in advancing Francophone arts and culture in Ottawa.*

4) Special Forum: “Arts Summit with Paul Dewar, MP”

November 7, 2009

Full Day Session hosted by Paul Dewar, MP Ottawa Centre, with keynote presentations by Peter Honeywell and Susan Annis.

Participants: *150 arts/cultural practitioners, community leaders, interested citizens*

Purpose: *Improving the state of arts and culture in Ottawa and Canada.*

5) Special Project: A Collaborative Approach to Sustainability in the Arts, 2009 & 2010

Purpose: identification of priority issues that would benefit from collaboration of individual arts groups.

- General discussion groups and specific issue based roundtables. Key issues identified for action were: 1) space, 2) human resources, 3) building the profile

EXPERT CONSULTATIONS

Face-to-Face interviews with diverse policy-makers, practitioners and advisors across Canada and abroad; representing public, non-profit and private sectors.

Findings Summary

1. Ottawa in Profile: Strengths and Challenges

PROFILE HIGHLIGHTS STRENGTHS IN CREATIVITY, DIVERSITY AND THE ARTS

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 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 Talent, Tolerance & Technology	<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: Europe, Middle East, Africa, China and Indian Sub-Continent
Local Arts & Festivals Impact	<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.
Cultural Human Capital	<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

Local Profile also identified several challenges: Accommodation, Capacity, Leadership Gaps:

ISSUE AREA 1: ABSENCE OF LOCAL ARTS ACCOMMODATION AND VISIBILITY.

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

Post-Ekos Study, 1988: Review of Federal and Local Arts/ Culture Infrastructure Development

An historical review of federal and local cultural infrastructure practices, particularly over the past twenty years, provides us with a tale of two cultural solitudes within one city:

Federal Ottawa: a capital culture renaissance through unprecedented investments in new museums and galleries, aesthetic enhancements and memorial spaces; creating a distinct federal presence within the City’s downtown core.

Local Ottawa: an abdication of long established priorities for large-scale, purpose-built visual and performance venues within the central core in favour of the establishment and enhancement of regional arts centres.

It is particularly discouraging to witness missed opportunities following the recent period of unprecedented infrastructure investment². 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 dollars³ over 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 evidence collected highlights Ottawa’s long and troubled history of accommodating its own professional artists and arts organizations; an experience not shared by other Canadian cities or other national capitals. This continued trend of non-accommodation has firmly established Ottawa’s reputation as the Canadian anomaly and a serious underperformer relevant to a city of its size and stature.

- **The absence of intergovernmental partnerships to advance local arts.**

Our review of national and international accommodation practices also highlighted the marked absence of intergovernmental partnerships which advance the visibility and accommodation of local arts and culture. Perhaps the

² Canada’s Economic Action Plan: \$4b Infrastructure Stimulus Fund

³ 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).

most successful examples of these types of collaborations can be found in the rise of dynamic arts/cultural districts in major cities across Canada.

In contrast, while planning documents from the National Capital Commission and City readily identify areas encompassing ArtsCourt as a “cultural precinct” or an “arts-retail district”, the demarcation differs and no 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 Province is a stakeholder in this area, as owners of the newly renovated Ottawa Convention Centre.

Cultural Districts: Visibility, Vibrancy and Distinction through Concentrated Presence

Designated arts or cultural districts offer distinct 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 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 in most cases 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.

The absence of proper, purpose-built accommodation poses a significant detriment to not only advancing but sustaining the health and well-being of our local arts constituency. A lack of presence within the heart of the city is particularly confounding as this is the area where professional artists live and work; where local festivals are accommodated; where tourists visit; and where businesses are concentrated.

Local tourism Investment non-existent

Visibility issues are further hampered by the fact that local resources generated for tourism marketing generally favour the promotion of national cultural institutions. While there are two local agencies mandated to promote Ottawa as a tourist destination, support for local arts products is non-existent.



In summary, local ownership of these issues and equitable levels of support from senior levels of government are necessary to address serious inadequacies in area's of Ottawa's arts infrastructure and promotion.

ISSUE AREA 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.**

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. Our investigation highlights the level of competitiveness local arts organizations face each year from Crown institutions, activities and events.

Ottawa's Top Five⁴: Largest Crown Cultural Institutions and their Affiliates

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

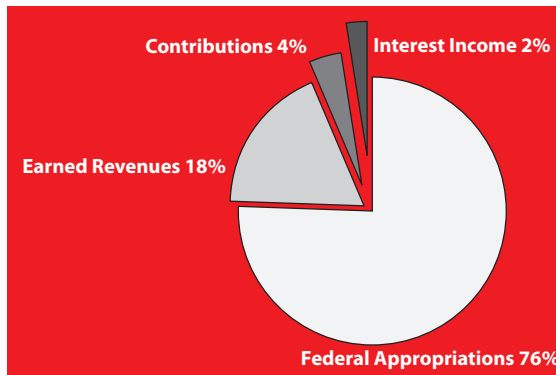
The results of our investigation as illustrated in the following charts validate concerns expressed by local arts and festival operators. Furthermore, national institutions largely rely on stable sources of funding through annual federal appropriations. In contrast, local non-profit organizations largely rely on alternate sources of revenue including earned and privately sourced contributions. Government sources of funding represent a modest portion of the total operating budget which may or may not be secured for multiple years.

While provincial capitals across Canada may share similar capacity challenges with the existence of their own Crown institutions, the sheer magnitude of revenue generating activity among Ottawa's Top Five translates into an uncommonly high proportion of challenges faced by local arts and culture. In addition to immense fiscal challenges and spatial/visibility challenges previously discussed, local arts groups are constantly faced with "talent drain"; due to

⁴ 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.

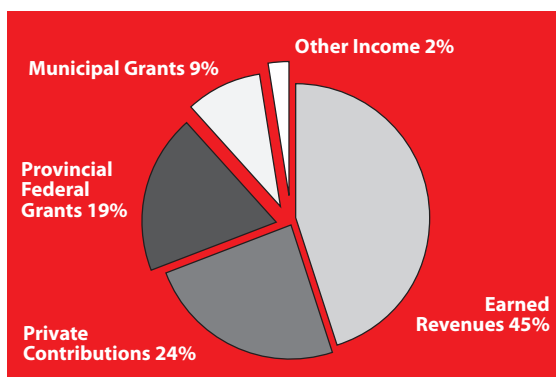
higher salaries and prestige offered by federal employers. Local and senior levels of government must acknowledge and address these distinct challenges in future policy and decision-making activity.

Top Five National Cultural Organizations' Financial Impact Summary:



Earned Rev.	\$52m	18%
Contributions	\$11.5m	4%
Interest Income	\$6.4m	2%
Sub-Total:	\$69.9m	24%
Federal Appropriations	\$217.5m	76%
TOTAL REVENUE	\$287.4M	100%

City Sponsored Local Arts and Festivals' Impact Summary:



Earned Revenues	\$20,8m	45.1%
Private Contributions	\$11.2m	24.3%
Sub-Total	\$32m	69.4%
Provincial/Federal Grants	\$8.8m	19.0%
Municipal Grants	\$4.2m	9.2%
Other (i.e., interest income)	\$1.1m	2.4%
TOTAL REVENUE	\$46.1M	100%



Trends indicate that these challenges will only increase in time if not addressed more comprehensively. Status quo is not an option.

In addition to advances made through formalized networking among national institutions, specific developments have been highlighted to further illustrate a trend towards scaled up competitiveness for local resources.

NATIONAL ARTS CENTRE

The National Arts Centre (NAC) has the greatest reliance on alternate revenues than any other national cultural institution as annual federal appropriations account for only 57% of its total operating budget. This translates into an annual alternate revenue requirement of approximately \$34m generated from diverse sources including: program and commercial revenues; private contributions; and, interest income. This is comparable to the combined total of non-governmental revenues generated by 72 of Ottawa's local arts and festival organizations. In FY 2007/08, fundraising activity undertaken by the NAC Foundation generated \$8.2m through local galas and other campaigns. Approximately 50% of these funds are reported to be generated from local donors and sponsors. A multiyear analysis⁵ of revenue activity reveals that increases were experienced across the board in all areas of including: earned revenues (+15%); contributions (+22%); and commercial operations (+16%). There is every indication that the NAC will continue to step-up its efforts to diversify and increase alternate sources of revenues.

NATIONAL CAPITAL COMMISSION: ANIMATING THE CAPITAL PROGRAM

In addition to the Top Five, the National Capital Commission (NCC) allocates an estimated \$22m annually towards their Animating the Capital component; representing 17% of NCC's total operating budget. FY2008 financial statements reported the generation of \$2.5m in alternate revenues 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. It is anticipated that with additional programming introduced at LeBreton Festival Park, there will be greater demands for privately sourced contributions.

NATIONAL MUSEUM OF NATURE RENOVATION-EXPANSION PROJECT

Lastly, Top Five figures presented are somewhat skewed due to reduced operating requirements of the National Museum of Nature while undergoing extensive renovations to the Victoria Building. It is expected that operating revenue requirements will increase to commensurate with

5 Sourced from Annual Reports: 2004/05 and FY2007/08.

expanded operations including a proportional increase in alternate revenue generation. Concurrent with renovations, the Museum launched a Partnership Campaign to raise \$10m in private contributions towards the development of new exhibits. The fundraising campaign targeted 50% of funds to be sourced from local donors and sponsors.

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.

Given recent economic challenges and the unstable nature of funding in general, there are growing concerns for local arts sustainability, particularly when national institutions have scaled up revenue generating and fundraising activities. These findings illustrate an immediate need for large-scale, city-wide strategies to provide an additional tier of investment and the delivery of a broader range of support mechanism to not only sustain but advance local arts and festivals.

ISSUE AREA 3: MISSED OPPORTUNITIES HIGHLIGHT GAPS IN LOCAL LEADERSHIP AND STEWARDSHIP

- **Local response to recent investment initiatives exemplifies a continuum of missed opportunities.**

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.*⁶

Three key components of CAHSP were examined.

1. **Arts Stabilization** intended to assist with the establishment of regionally-based Stabilization Projects; run by independent, non-profit organizations governed by representative boards of directors. Over \$10 million has been invested in 10 stabilization projects across Canada.⁷ Over 200 arts and heritage organizations participated in this initiative and leveraged \$43 million over their total lives in addition to the funds from Canadian Heritage.

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

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



No project was established in Ottawa.

- 2. Capacity Building** provided direct support to organizations seeking to strengthen their organizational, administrative, and financial circumstances. \$37 million was invested with 732 organizations participating and 1077 projects funded. The establishment of a Capacity Building Program at the City of Ottawa assisted with the ability to find required matching funds.

33 Ottawa projects were funded to the total amount of \$787,820.

- 3. Arts Endowment Component** 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. \$71.8 million was invested with 121 groups receiving matching funds and leveraging \$104.4 million in private sector donations.

1 Ottawa group participated and received \$7,925.

It is important to note Ottawa ranked last in its capacity to tap funding from the CAHSP in comparison with six other major cities. The difference between 7th ranked Ottawa and 6th ranked Edmonton is well over \$2.5m. While the usual suspects, Toronto and Montreal received the largest share of CAHSP funding (\$17m apiece), third ranked Winnipeg managed to secure a respectable \$10.1m in combined stabilization, capacity and arts endowment funding.

The results of this investigation serve to underscore a chronic inability to effectively capitalize on significant or unprecedented opportunities as they arise. These repeated lapses, whether in obtaining greater capacity or infrastructure investments, speaks to critical gaps in the existing leadership, policy and stewardship strata for local arts and culture development.

- **New investment opportunities require immediate action.**

The federal government has recently reintroduced certain components of the CAHSP initiative under the new Canada Cultural Investment Fund. More specifically, new funding has been made available over the next five years to: 1) encourage additional arts endowment activity through match-up incentives; and 2) assist in the development of relevant strategic initiatives. It is imperative that actions be taken in order to capitalize on these new investment opportunities.

2. Capital Cities

Exploring Local Arts Experiences and Practices of Five Capital Cities

National capitals are unique within a nation. In addition to serving as the seat of government, they are also 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.

As part of our study we looked at national capitals to determine the effect of the federal presence on resident creative talent. We also looked at how the local arts were supported. The cities selected include; Berlin (Germany), Canberra (Australia), Helsinki (Finland), Prague (Czech Republic) and Washington D.C. (United States).

Research tasks undertaken for this investigation include: 1) literature and data review; 2) interviews where required; and 3) on-site visits and interviews in select capitals including Berlin, Prague and Helsinki.

National Presence and Authorities

- **Our investigations highlight similar and in some cases, greater concentrations of national cultural institutions within other capital cities. Therefore, the current concentration of national museums and galleries found within Ottawa is not excessive in comparison to other capital cities.**
- However, federal authorities similar to Canada's National Capital Commission were less evident in other capital cities; appearing only in those sharing a "planned capital" provenance. 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.

Local Arts Presence and Authorities

- **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.**



In terms of 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. It is also interesting to note that in all instances, municipal arts and culture services are placed within the senior or executive ranks of the administration, such as the portfolios of the Mayor or Deputy Mayor.

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 federal agencies provide special subsidies for local arts institutions within capital cities.**

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 highlights a greater existence of federal trust and deference to local expertise and greater instances of federal-local fusions than currently the norm in Ottawa.

3. **Completing the Arts Investment Strategy: Alternate Investment Practices**

Exploration of City-Wide Alternative Investment/Governance Models

The City of Ottawa's Arts Investment Strategy identified alternative investment models as potential sources of support for the arts. We examined a range and diversity of existing, city-wide art investment products including four city-based united arts funds in the US; a Canadian-based united funds strategy for one-time stabilization measures; and a city-based arts foundation.

- **United Arts Fund models highlight the range and diversity of city-wide campaigns for working capital.**

Our investigations highlight the practices of four city/metro-based United Arts Funds (UAF) including: Greater Hartford (CT), Seattle-Tacoma (WA); Kansas City Metro Area (MO-K) and Metro Portland (OR). 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.

Generally speaking, united arts funds are non-profit organizations 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:

- broadening the base of support for the arts
- promoting excellence in the arts and arts management
- 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.

- **Although a similar search for Canadian-based models proved limiting, two model practices were discovered namely, the Toronto Arts Foundation and the Creative Trust for Arts and Culture.**

The Toronto Arts Foundation serves as a sister organization to the Toronto Arts Council, the City's arms length agency mandated to manage the municipal investment program. The Foundation extends the Council's services through the consolidation of income generated from diverse private sources including income from several arts endowments, corporate sponsors, private donors and public funding programs. In FY2007/08, the Foundation generated over \$355,000 in support of outreach programming, awards presentations and networking initiatives.

Creative Trust for Arts and Culture is another Toronto based model established as a time-specific response to the CAHSP stabilization initiative. Through a CAHSP investment of \$1.75m, the Trust was able to generate an additional \$4.5m in private and publicly sourced funding. The bulk of these funds were awarded to 21 mid-sized professional arts organizations following an intense exercise of fiscal and organizational review; requisite expert counselling; and progress reporting. Once mid-sized groups were addressed, the Trust offered capacity building initiatives for smaller organizations across the Greater Toronto area. At the time of writing, over 40 groups have benefitted from capacity building services. While the federal stabilization initiative has been cancelled, the Trust continues to offer capacity building services to small and mid-sized arts organizations within the Toronto region.

- **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.**

The search for model investment practices in Canada and the US inevitably led us to acknowledge the presence of arms length local arts authority in major cities across North America. The concept of an arms length local arts agency is more wide spread than originally perceived and is now 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 the mandate and operations of the following five local arts agencies within Canada:

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

These agencies serve 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 arms 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

4. Strategic Opportunities for Change

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

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 the Ottawa Arts Summit of November, 2009 hosted by Ottawa Centre MP, Paul Dewar
- Canadian Heritage's Canadian Cultural Investment Fund
- Ontario's Communities Prosperity Program
- Culture Days : launch of a national celebration of the arts in cities across Canada in September 2010
- **Canada's 150th Anniversary in 2017 provides an excellent opportunity for legacy building in the arts.**

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.

Conclusions

DESPITE UNIQUE AND COMPLEX CHALLENGES, OTTAWA HAS THE MAKINGS OF A VIBRANT CULTURAL CAPITAL.

- Ottawa has many attributes as a major Canadian city and the foundations for a vibrant local arts and culture scene.
- A number of recent policy-making and partnership initiatives provide key opportunities to not only sustain, but raise the bar for local arts and culture.
- Other cities are 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.

OTHER NATIONAL CAPITAL CITIES DO A BETTER JOB OF ACCOMMODATING AND ADVANCING LOCAL ARTS AND CULTURE.

- Ottawa is able to compare its local experience with other capital cities and determine potential practices of interest and opportunities for future exchanges.
- The capital cities examined in this study demonstrate an 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 resident 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 sus-

taining 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.
- 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.

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.

- The City of Ottawa should be applauded in its efforts to shore up the income gap as identified by its Arts Investment Strategy. Our research 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.
- Our research identified a definite trend in cities across North America where publicly sourced investment programs (City grants/awards) are delegated to arms 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, arms length agency.

Next Steps

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. Next steps for action include:

- 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.**