

Date: 2023-09-08

Subject: **Brampton Arts Organization (BAO) Transition Update**

Contact: Kelly Stahl, Director, Cultural Services

Report Number: Community Services-2023-641

Recommendations:

1. That the report titled **Brampton Arts Organization (BAO) Transition Update** to the Committee of Council meeting of September 20, 2023, be received;
2. that Council endorse transition of BAO from start-up and incubation to independent non-profit corporation as outlined in this report;
3. that the City provide up to \$100,000 in the form of a grant from the existing 2023 Cultural Services budget to BAO as an independent not-for-profit corporation to reimburse its incorporation costs and transition its operations, subject to the execution of grant agreement(s);
4. that the Commissioner, Community Services be delegated authority to approve and execute agreements governing grant(s) to such corporation on terms and conditions satisfactory to the Commissioner, Community Services or designate and in a form acceptable to City Solicitor or designate;
5. that the Commissioner, Community Services be authorized to negotiate the Service Level Agreement ("SLA") and be delegated the authority to execute the SLA with BAO once incorporated on such terms and conditions as the Commissioner, Community Services or designate approves and in a form satisfactory to the City Solicitor or designate; and,
6. that staff be directed to include in the operating budget submissions for Community Services for each of the years 2024 to 2028 inclusive the costs estimated to be payable by the City under the Service Level Agreement to be negotiated with the BAO and as set out in this report.

Overview:

- On January 15, 2020, Council endorsed the recommended organizational model and approach to developing a new Arts Sector Development Agency and approved the Terms of Reference for a time-limited volunteer Advisory Panel to oversee incubation within the City of Brampton and transition to become an independent non-profit organization by 2024 (CW007-2020).
- Despite a delayed program launch due to the pandemic, a phased transition from start-up to independent non-profit was developed that maintained council-approved timelines to transition by 2024.
- In Phase 1, the Agency launched in Spring 2021 with the mission to incubate, advance, connect and advocate for Brampton's arts and culture sector, providing a range of much-needed programs and services developed in collaboration with stakeholders in the areas of funding, finance and investment; leadership, advocacy and innovation; and sector development and growth.
- The 2021 Year-End Report (Appendix A) indicates that BAO (known then as ACCIDA) progressed significantly in delivering community support.
- The 2022 Year-End Report (Appendix B) demonstrates that BAO continued successfully delivering on its mission to incubate, advance, connect and advocate for Brampton's arts, culture and creative industries.
- In Phase 2 (current), the BAO Advisory Panel seeks Council endorsement of the BAO governance structure and confirmation of a 5-year funding commitment from the City of Brampton.
- The Panel will establish a skills-based governance board with a minimum of five (5) and a maximum of nine (9) members and a complement of five (5) staff. The volunteer board will be responsible for strategic oversight of the not-for-profit, and the staff will be responsible for BAO's day-to-day management and operations.
- To successfully transition to an independent non-profit corporation (Phase 3), successfully negotiating a service level and funding agreement with the City is required.
- This report recommends that the Commissioner of Community Services be authorized to negotiate the SLA with the transitional Board and be delegated the authority to execute the SLA with BAO once it is incorporated.

- **In Phase 3, BAO will operate as an independent non-profit corporation (anticipated in Q1 2024) operating under a planned five-year service level agreement with the City to support this work.**
- **The five-year investment totals \$4,909,000, including the costs to operate the administrative and programming space at 8 Nelson St. W.**
- **BAO and the Cultural Service division will continue to work in partnership to deliver on the goals and actions of the Culture Master Plan guided by an annual work plan and budget prepared for by BAO's Executive Director and received, reviewed and approved by the Director, Cultural Services.**

Background:

Living the Mosaic - Vision 2040 is a bold vision for the future of Brampton that the Culture Master Plan, Tourism Strategy and Performing Arts Strategic Plan support. Together, these documents strategically pursue the vision that Brampton will be a dynamic, vibrant city of almost 1 million people by 2040, with a thriving arts scene that is part of a strong entrepreneurial ecosystem. This ecosystem attracts and retains investment, talent and creative industries, building a unique and authentic identity for Brampton on the local and global stage.

These documents recognize the vital role of an arm's length organization working in tandem with the City to advance the arts, culture and creative industry in Brampton, an essential element in achieving the vision for Brampton.

- Vision 2040 Action 7-1: Position Brampton as an arts and culture city by founding a non-profit agency as the vanguard.
- Culture Master Plan Action 1-2: Undertake a feasibility study to determine the proper organizational model for an arm's length organization that could assist the City in implementing arts and cultural programs and services and serve as an animator and multi-arts umbrella for local arts advancement.

On April 17, 2019, Council received report RM25/2019 from City staff, which outlined the approach to addressing these actions. City staff would retain a third-party consultant with expertise in supporting governments with strategic and enterprise planning and extensive knowledge of arts administration at the municipal and non-profit levels. The consultant would work alongside the City and the community to determine the recommended model for an arm's length arts and culture organization (CW175-2019).

At the January 15, 2020, Committee of Council meeting, Council received a staff report titled '*An Arm's Length Organization for Arts, Culture and Creative Industry Development in Brampton (R417/2019)*'. The report outlined that based on stakeholder

engagement, the organization was envisaged as an Arts, Culture and Creative Industry Development Agency that would operate at arm's length to the City and be a key partner in delivering the Culture Master Plan. Council endorsed the recommended organizational model and approach to developing the Agency and approved the Terms of Reference for a time-limited volunteer Advisory Panel with subject matter expertise in the local creative sector to oversee the incubation and transition of the Agency to become an independent non-profit organization by 2024 (CW007-2020).

In Q1 2021, the inaugural Panel Chair and Council representative were appointed (CW118-2021), and the staff lead was hired to initiate the work of the Agency. Despite a delayed program launch due to the pandemic, a phased transition from start-up to independent non-profit was developed that maintained council-approved timelines to transition by 2024.

- Phase 1: Start-up and Incubation Period (2021-2022)
- Phase 2: Transition to an independent non-profit corporation (2023)
- Phase 3: Operate as an independent non-profit corporation (2024)

Phase 1: Start-up and Incubation Period (2021-2022)

The Agency launched in Spring 2021 with the mission to incubate, advance, connect and advocate for Brampton's arts and culture sector, providing a range of much-needed programs and services developed in collaboration with stakeholders in the areas of funding, finance and investment; leadership, advocacy and innovation; and sector development and growth.

Vision	A thriving, confident, and valued creative scene and cultural ecology is the heart of our prosperous mosaic city.
Mission	To incubate, advance, connect and advocate for Brampton's arts, culture and creative industries.
Values	<ul style="list-style-type: none">• Passion and Ambition• Diversity and Inclusiveness• Service• Community and Collaboration• Excellence and Innovation• Optimism.
Areas of Focus	<ul style="list-style-type: none">• Funding, finance and investment• Leadership, advocacy and innovation• Sector development and growth

Program Delivery and Results

The 2021 Year-End Report (Appendix A) indicates that BAO (known then as ACCIDA) progressed significantly in delivering community support. The Agency became a valued service provider, developing thoughtfully with City support to achieve the following incubation-specific milestones:

- Combined 2020 and 2021 incubation goals and developed incubation work plan and project charter with cultural services.
- Delivered 78 workshops, events and artist meetings to nearly 500 artists across the City.
- Developed new partnerships and strategic alliances with local organizations and institutions.
- Launched the Big Brampton Artist Space Survey and analyzed results to assist in developing a 2022 Creative Space Strategy.
- Created interim ACCIDA Branding (visuals, collateral, website, socials) and secured an external vendor to develop the name and identity of the organization.

The 2022 Year-End Report (Appendix B) demonstrates that BAO continued successfully delivering on its mission to incubate, advance, connect and advocate for Brampton's arts, culture and creative industries. Key activities/accomplishments included:

- Launched the new Brampton Arts Organization (BAO) brand, generating 22 media stories with a reach of 17 million people.
- 605% increase in BAO event and program attendance.
- Hosted 3,240 local artists at one of BAO's 87 events, programs and workshops.
- Showcased 132 Brampton artists through 10 calls for submission.
- Enhanced public art across Brampton with digital exhibitions in Garden Square, including 'Black Artists Live Here' and 'Summer of Love'.
- Launched the Creative Space Catalogue: a public space inventory of more than 200 Brampton sites where arts and culture activities can occur.
- Launched the BAO Ambassador Program with Brampton representatives, including Director X, Rupri Kaur, Haviah Mighty, Sasha Leigh Henry and others across creative disciplines.
- Established office space for BAO at 8 Nelson St. W in downtown Brampton.

Current Situation:

Phase 2: Transition to an independent non-profit corporation (2023)

With Phase 1 complete, the BAO Advisory Panel is now seeking Council endorsement to proceed with incorporation, funding for the costs of incorporating and setting up the organization and confirming a 5-year funding commitment under a Service Level Agreement with the City of Brampton for operating costs.

The Panel will proceed to incorporate the BAO as a not-for-profit corporation with an initial skills-based board of directors with a minimum of five (5) and a maximum of nine (9) volunteer members. At least three (3) panel members will form the founding Board for the corporation, with full legal and fiduciary responsibility for BAO. The five (5) staff, currently on contract with the City of Brampton, will transition to form the inaugural BAO staff team, pending contract negotiations with the Board. The volunteer board will be responsible for strategic oversight of the not-for-profit, and the staff will be responsible for BAO's day-to-day management and operations.

To successfully operate as an independent non-profit corporation (Phase 3), successfully negotiating a service level and funding agreement with the City is required. This report recommends that the Commissioner of Community Services be authorized to negotiate the SLA with the initial Board of Directors and be delegated the authority to execute the SLA with BAO once it is incorporated.

In Phase 3, BAO will operate as an independent non-profit corporation (anticipated in Q1 2024) operating under a planned five-year service level agreement with the City to support this work. BAO and the Cultural Service division will continue to work in partnership to deliver on the goals and actions of the Culture Master Plan guided by an annual work plan and budget prepared for by BAO's Executive Director and received, reviewed and approved by the Director, Cultural Services.

BAO Administration and Community Programming Space

In Q1 2023, BAO established its administrative space in a municipally owned office building at 8 Nelson St. W in Downtown Brampton. Staff began hosting meetings and public workshops in Q2 and, with the recent hire of their education and outreach coordinator, will begin to deliver enhanced services and programs from this space to Brampton's creative community, such as networking events, workshops and open studio times. These ongoing programs will draw local artists and creators to the downtown, aligning with the vision of the Innovation District to attract new creative entrepreneurs and industries to the area. As an organization in the downtown, BAO supports revitalization efforts through neighbourhood beautification initiatives such as public art and placemaking, planning special events, programming at festivals and curating content for the garden square screen.

In addition, BAO is an active stakeholder in developing the vision and mandate of the new Arts and Culture Centre planned for the Flower City Community Campus. BAO is envisioned as a resident tenant in this cultural facility, allowing the organization to expand its programming and reach in a new, purpose-built space.

5-year Funding Commitment

In alignment with the Council-endorsed framework for BAO's start-up, incubation and transition (CW007-2020), staff will include an operating budget increase of \$31,000 in 2024 and \$50,000 in 2025. A 2% annual increase has been factored in for 2026-2028.

During BAO's start-up and incubation phase, Unit 301 at 8 Nelson Street West was provided in kind; however, as part of the transition to independence, BAO will enter into a lease agreement with the City of Brampton, aligned with the SLA. To accurately capture the total value of the contribution to BAO, rather than continue to offer this space in-kind, it is recommended that an additional annual operating budget of \$115,000 (market rent + TMI) be provided to BAO and recovered by the City of Brampton facilities department.

Corporate Implications:

Financial Implications:

Sufficient funding is available within the 2023 Cultural Services operating budget to be applied to the costs of establishing the BAO as an independent not-for-profit corporation and operating costs to transition its operations pending the execution of a Service Level Agreement in the form of a grant.

As part of the 2024 operating budget submission, staff will include \$806,000 in funding for the first year of operations in 2024, representing a 4% increase over the 2023 operating budget. The annual lease rate for 8 Nelson Street West, Unit 301, is based on a 2023 market value of \$15/sq ft + \$7 TMI/sq ft as determined by Realty and Facility Services.

YEAR	2023	2024	2025	2026	2027	2028
OPERATING BUDGET	775,000	806,000	856,000	873,000	891,000	908,000
LEASE	-	115,000	115,000	115,000	115,000	115,000
TOTAL	-	921,000	971,000	988,000	1,006,000	1,023,000

This represents a total 5-year investment of \$4,909,000. Staff will ensure to include the year-over-year incremental impact in the 2024-2028 Budget submissions, pending Council approval.

Other Implications:

Legal Services:

Legal Services will review and approve as to form the service level agreement, grant agreements, data sharing agreements, and other agreements required between the City of Brampton and the Brampton Arts Organization.

Realty Services:

Realty Services will support with the preparation of the Lease Agreement and approve as to content for the City-owned 8 Nelson St W space.

It has been explained to the Cultural Services staff that the City of Brampton can enter into a short-term agreement (with the City reserving termination rights) with the Brampton Arts Organization for Unit 301, 8 Nelson St. W, Brampton, to support the immediate requirements. If alternate City-owned spaces aren't available in the future, then BAO must allocate sufficient funds to identify and relocate to another appropriate location.

Facilities Operations & Maintenance:

Originally constructed in 1990, 8 Nelson requires significant repairs and replacements per the most recent Building condition audit. Facilities Operations & Maintenance recommends that the City enter into a short-term lease agreement, reserving termination rights to conduct immediate repairs (if required).

Strategic Focus Area:

This report aligns with the Strategic Focus Area of *Culture and Diversity*, focusing on cultural diversity, cross-cultural understanding and supporting artistic expression and production by supporting artists and raising investments in Arts and Culture. This report also aligns with the Focus Areas of *Health and Well-being* and *Growing Urban Centres and Neighbourhoods* by improving the sense of belonging and well-being through community programs and encouraging innovation and new employment opportunities for the local creative sector.

Conclusion:

Pending approval of the recommendations in this report, staff will negotiate the SLA with the transition board and execute agreements governing grants to BAO.

Authored by:

Kelly Stahl, Director, Cultural Services

Approved by:

Submitted by:

Bill Boyes, Commissioner, Community Services

Marlon Kallideen, Chief Administrative Officer

Attachments:

Appendix A: BAO Annual Report 2021

Appendix B: BAO Annual Report 2022