



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: General Purposes Committee
FROM: Kate Sparrow
Director, Recreation & Cultural Services
DATE: October 23, 2000
FILE: -
RE: Regional Cultural Development Plan: Business and Implementation Plans

STAFF RECOMMENDATION

1. That Council support in principle the proposal for an inter-municipal initiative to improve access to arts and cultural opportunities in the region;
2. That Council support in principle the formation of an Inter-Municipal Partnership to implement the business plan and request the Cultural Plan Steering Committee to further explore the model and report back with recommendations on the most suitable approach to membership, size and mandate;
3. That Council refer the Implementation Plan back to the Cultural Plan Steering Committee to explore a phased-in approach for achieving the strategies outlined in the business plan and an alternative funding strategy;
4. That Council advise other municipalities and the GVRD Board that the City wishes to participate in the Inter-Municipal Partnership to deliver the business plan and to work together to secure increased provincial and federal support for the development of arts and culture.

K Sparrow

Kate Sparrow
Director, Recreation & Cultural Services

FOR ORIGINATING DIVISION USE ONLY
CONCURRENCE OF GENERAL MANAGER
<i>David Kelly</i>

STAFF REPORTORIGIN

In September 2000 Council received a request from the GVRD Board to review and comment on the business plan implementation strategies and funding options proposed by the Regional Cultural Plan Steering Committee.

BACKGROUND

Arts and culture are an important part of the quality of life in Richmond, both socially and economically. The City supports cultural and heritage development in many different ways. However, as the community grows and develops, there is an increasing demand for opportunities and the city is being asked to do more not only to address the impacts of growth in demand but also the declining levels of funding provided by senior levels of government. For example, over the past ten years the federal government's investment in arts and culture in BC has declined to about one-third of what it invests in other provinces on a per capita basis. This is worsened by the fact that the provincial government under-invests in arts and cultural development by about 50% compared to the average of other provinces across Canada.

Recognizing that these challenges are shared by all of Greater Vancouver's municipalities and that there are opportunities to address these and other issues cost-effectively by working together, the Regional Cultural Plan Steering Committee was initiated in 1995 with a mandate to develop a plan to meet the cultural needs of Greater Vancouver,. The Phase I report "Arts and Culture in Greater Vancouver: Contributing to the Livable Region" was completed and endorsed in 1997. The report summarized the research done regarding public participation, social and economic benefits, individual municipal support for arts and culture, and federal and provincial support levels.

Phase 2 consisted of extensive stakeholder consultation to identify major issues and opportunities in the sector culminating in the report "Strategies for Regional Arts and Cultural Development in Greater Vancouver". At the City Council meeting of February 28 ,2000, Council adopted the recommendation:

That Council endorse the report entitled "Strategies for Regional Arts and Cultural Development in Greater Vancouver" from the Regional Cultural Plan Steering Committee and support the preparation of the business planning and implementation options phase.

The implementation plan was to include the format and governance of the structure best able to achieve the desired outcomes, and options for appropriate funding sources.

The four initiatives that the business plan focused on were:

- develop a **Greater Vancouver Cultural Information Network** to improve the exchange of information about arts and culture region-wide;
- develop and implement a **Cultural Tourism Strategy** to increase and enhance region-wide distribution of the social and economic benefits of tourism;
- **Improve the Financial Environment** for region-serving arts and cultural organizations in Greater Vancouver to secure their quality and sustainability and provide for growth; and
- Develop a **Regional Touring Program** of performing and visual arts and heritage exhibitions to enhance access to existing arts and cultural activities region-wide.

A fifth initiative was added and that was a **Strategy to Leverage Senior Government Investment** in arts and culture in the region.

The GVRD allocated \$100,000 in its 2000 budget to produce business plans and governance and funding options for delivering the actions. With input from representatives of the cultural community and local government through two public forums, a business plan for the priority actions above and organizational and funding options for an inter-municipal partnership to implement the plan were developed. It is on these business plans, and governance and funding options that Council has been asked to provide comment.

ANALYSIS

Business Plan Highlights

The Business Plan's Executive Summary is provided in attachment A. The Plan and its supporting documentation identify in detail the products, services and initiatives that will address the priorities and successfully draw in increased senior government investment. A summary of the priority areas; administration model and financing options is attachment B.

These initiatives will:

- increase access to arts and cultural services for residents throughout Greater Vancouver;
- build stronger arts and cultural organizations throughout the region;
- increase participation by residents and visitors in arts and cultural activities;
- generate economic benefits region-wide, including approximately 5,350 new jobs and approximately \$70 million in direct expenditures annually;
- leverage up to \$10 million of federal and provincial investment for projects in the short term and approximately \$12 million from arts and cultural organizations and the private sector; and,
- Over the longer term, achieve new investments by senior levels of government through an intergovernmental strategic investment agreement focused on cultural industries and new media. Recent agreements in other provinces suggest this additional investment, which is not included in the business plan, would likely be in the \$20 to \$40 million range.

Attachment C is a list of potential partners who have expressed an interest in participating in the implementation of the Business Plan.

Just as the arts play a significant part in Richmond's development as a community, Richmond, in turn, is poised to play a significant part in the region through arts and cultural development. The Strategies outlined above would provide residents access to a greater variety of cultural opportunities and in turn would support and enhance the opportunities that exist in Richmond.

A Greater Vancouver Cultural Information Network would provide greater publicity and exposure to a wider audience for Richmond events. Gateway Theatre, the Art Gallery and Museum and the heritage sites would benefit from such exposure bringing more visitors to Richmond which in turn benefits other local businesses. Information sharing between municipalities will be facilitated to ensure best practices are followed and efficiencies and effectiveness realized in current service delivery.

A Regional Cultural Tourism Strategy to increase and enhance distribution of the economic and social benefits of cultural tourism speaks to the local goals of increasing tourism and enhancing visitor experiences. Richmond is uniquely poised to take advantage of this initiative given its

geographical location, hotel rooms and proposed trade and convention centre as well as opportunities for product development in our heritage sites, theatre, cultural facilities and festivals.

Organizational Option

An ongoing inter-municipal partnership is needed to implement the business plan. The key functions of the partnership include ensuring delivery of the products, services and initiatives identified in the business plan, building partnerships with the federal and provincial governments and the private sector and ensuring ongoing review and implementation of the Strategies report. In order to provide some accountability to the municipalities the recommended approach is an Inter-Municipal Partnership, where each participating municipality would appoint a Board member, be it an elected representative, a staff person or a community member. Under amendments to the regional district provisions of the Local Government Act the GVRD has the ability to create such a municipally accountable body if requested to do so by the participating municipalities.

This approach would create a municipally-accountable organization. It also provides an entity to which other organizations (senior levels of government, foundations, other agencies) partner for specific projects – e.g. Department of Canadian Heritage, New Media Innovation Centre and the Alliance for Arts and Culture for the Information Network project; Western Economic Diversification, Canadian Tourism Commission, Ministry of Small Business, Tourism and Culture and Tourism BC for the Cultural Tourism projects.

It is recommended that Richmond City Council endorse in principle the formation of an Inter-Municipal Partnership to implement the strategies. However Council could request the Cultural Plan Steering Committee to develop recommendations on representation, size and mandate for Council's consideration.

Funding Options

The total economic impact of the business plan is substantial. The consultants estimate that \$11 in total direct investment would result from every \$1 of local municipal investment. This is comparable to the actual experiences of other metropolitan regions (e.g. Ottawa-Carleton identified an economic impact of \$14 for every \$1 invested).

The investment needed from Greater Vancouver sources to realize the initiatives outlined in the five year timeframe of the business plan is \$6.5 million annually to leverage other investment and create over 5000 jobs. The business plan proposes a multi-pronged approach to funding this local investment. Some of these options (a visitor surcharge, e-commerce and private sector partnerships) require an extended time frame, so a new and immediate per capita contribution is proposed to seed the initiative. A \$3.26 per capita contribution could fund the entire local investment needed to implement the plan. The plan proposes that this be collected via a GVRD levy. Other metropolitan regions in Canada use this type of funding, averaging a \$3.95 per capita investment. (Currently the Greater Vancouver regional funding is \$0.12 per capita with \$0.06 going toward grants for a few region serving institutions and the other \$0.06 going to an endowment fund.) A recent survey conducted by Canadian Facts suggests that 66% of Greater Vancouver residents would support adding \$10 or more per household to municipal taxes to fund an inter-municipal partnership to increase access to cultural activities.

The proposal suggests a three year phase-in approach for funding contributions, with the first year as a start-up year, the second year at \$1.65 per capita and the third year at \$3.26 per capita. This would be offset as other sources of revenue are developed. The start-up year would require approximately \$350,000. This funding would cover staff salaries and travel expenses to plan and negotiate inter-governmental investment partnerships, write proposals and applications, secure regional sources of funding for matching grants from other agencies and governments and to provide funding for initiative not suitable for inter-governmental investment partnerships such as enhancement of existing region-serving organizations and the development of additional region-wide and sub-regional services.

It is recommended that Council request the Cultural Plan Steering Committee to further explore the phase-in approach and alternate funding strategies with emphasis on individual projects that will help achieve the goals.

FINANCIAL IMPACT

There is no financial impact to Richmond at this time.

CONCLUSION

Arts and culture are a vitally important part of our community providing both social and economic benefits. In Greater Vancouver, there are more than 65,000 people currently employed in the sector, generating over \$3 billion in direct revenues. Eighty percent of residents participate in arts and cultural events, strengthening our sense of community. There are major challenges to maintaining and improving the contribution of arts and culture. With the increase in population and the consistent under-investment from senior levels of government compared to the rest of the country, not addressing the challenges will result in declining services to residents.

By working together the municipalities of the Lower Mainland are in a stronger position to address these challenges. The inter-municipal partnership has many benefits for Richmond, in particular, serving as a framework to leverage significant investment from senior levels of government, the private sector and others.

The phased-in approach to implementation and the funding strategy needs to be further explored to ensure effectiveness and community acceptance.

A large, stylized handwritten signature in black ink, appearing to read 'Jane Fernyhough', is positioned above the typed name and title.

Jane Fernyhough
Manager, Cultural Services

JF:jf

Appendix - A
Executive Summary
Business Plan

Introduction

In September 1999 the *Strategies for Regional Arts and Cultural Development* report outlined the key issues and opportunities for a region-wide approach to arts and cultural development in Greater Vancouver. It identified 25 actions where municipalities could work cooperatively to achieve significant benefits region-wide. Of these, four actions were designated as priorities for their achievability and impact.

In a series of deliverables, this business plan outlines detailed products, services and initiatives necessary to achieve the four priority actions. The financial, human and operational resources required for each deliverable are outlined. A second report deals with the *Financing and Governance Options* necessary for implementing the *Business Plan*.

Products and Services

The development of the following initiatives provide the basis for the deliverables in the business plan. Although each is identified individually, the key initiatives are inter-related and build on each other to provide the greatest economic and social benefits.

- Develop a Greater Vancouver Cultural Information Network

The Network will improve the region-wide flow of arts and cultural information. It serves three inter-related groups - the general public, the arts and culture sector, and local governments. Among its many purposes, the Network addresses the current difficulties experienced by residents and tourists in accessing information on the full range of activities available region-wide. It also address the need for a centralized source of information on the business practices of the arts and culture sector.

- Develop and Implement a Cultural Tourism Strategy

This initiative will increase, and enhance regional distribution of, the economic and social benefits of cultural tourism. Cultural tourism is an increasingly important market for arts and cultural organizations, tourism businesses, and communities region-wide. Resources will be dedicated to product development and packaging, cultural tourism demonstration projects, and joint marketing campaigns. The intent is to establish arts and culture as a key sector in the tourism industry.

- Develop and Implement a Regional Touring Program

Regional touring will increase access to a greater diversity of arts and cultural activity throughout the region. It builds on the existing performing, visual arts and heritage facilities by encouraging increased use by touring performances and cooperative visual arts and heritage exhibitions. The ability for residents to participate in more arts and cultural activities closer to where they live will spread the economic benefits of the sector region-wide.

- Improve and Develop Region-Serving Arts and Cultural Services

This initiative supports the growth of the arts and culture sector through strategic investments at every stage of development. Key deliverables include assisting emerging companies with organizational development; assisting local-serving organizations extend their services beyond their communities; and sustaining existing organizations providing services region-wide. The fundamental principle in this initiative is collaboration between organizations at every level.

- Leverage Senior Government Investment

The business plan and its initiatives are designed to use local investments to leverage senior government dollars. Several of the initiatives identified above fall within the policy objectives of both the provincial and federal governments. Senior government investment in these initiatives is critical to their success. In addition, cultural industries and new media are identified as two areas where strategic, long-term investment agreements will be pursued.

Resource Requirements

The resource requirements for full implementation of the business plan initiatives is approximately \$9.8 million per year. Through leveraging of senior government partnerships, the local contribution decreases to \$6.5 million annually.

Benefits

The investments made in the business plan initiatives will strengthen the arts and culture sector and greatly improve the range of services provided to residents of, and visitors to, the region. Specific benefits include:

- Increased access to arts and cultural service for residents of Greater Vancouver
- Stronger arts and cultural organizations throughout the region
- Increased participation by residents and visitors in arts and cultural activities
- Increased economic benefits region-wide, including 5,350 new jobs and approximately \$70 million in direct expenditures annually
- Increased provincial and federal investment of up to \$10 million in the arts and culture sector in the short-term
- Development of cultural industries and new media initiatives through inter-governmental strategic agreements

Conclusion

Every \$1 invested at the regional level by Greater Vancouver communities is estimated to lever approximately \$11 in increased expenditures in the regional economy. This level of return, and the many other benefits noted in the business plan, is only achievable through cooperative efforts on the part of local governments. Building on local activity, these regional initiatives will greatly enhance the arts and cultural services available to all residents of the region.

Executive Summary

Draft Governance and Financing Options

Introduction

In September 1999 the *Strategies for Regional Arts and Cultural Development* report outlined the key issues and opportunities for a region-wide approach to arts and cultural development in Greater Vancouver. The *Business Plan* outlines detailed products, services and initiatives necessary to achieve the four priority actions the report identified.

Financing and Governance Options addresses the conclusion of the *Strategies* report that to implement the four priority actions the municipalities need to establish an inter-municipal arts and culture partnership. The creation of the partnership recognizes there is no existing organization with such a mandate. This report outlines governance options for the partnership and addresses options for financing the initiatives in the *Business Plan*.

1. Financing Options

The *Business Plan* identifies the need for a regional investment of approximately \$6.5 annually to implement the initiatives. A number of financing sources were analyzed to determine the most suitable and feasible options. Options focus on approaches that can be undertaken region-wide by all Greater Vancouver municipalities. They were evaluated on criteria of adequacy, appropriateness and equity.

- **Per Capita Contribution**

To finance the entire local investment through this option, a per capita contribution of \$3.26 is required. Other metropolitan regions researched invest an average of \$3.95 per capita to support region-wide arts and cultural services. Greater Vancouver currently invests \$0.12 per capita. Existing mechanisms are in place to collect this contribution. Municipalities could rely on property taxes for their contribution or develop alternate funding mechanisms, depending on revenue sources available. As residents and businesses are key beneficiaries of the business plan's initiatives, this option matches investors with benefits.

- **Visitor Surcharge**

Visitors would also benefit from some of the business plan's initiatives. This method of funding is used predominantly in the United States where municipalities have the authority to tax sales. In BC the current taxes on hotels/motels consist of an 8% provincial tax, with municipalities having the authority to add an additional 2%. The 2% is not considered an option for region-wide financing as only two Greater Vancouver municipalities collect it. A share of the existing 8% provincial tax, an increase to the 8% dedicated to cultural tourism initiatives, and a broader application of the 8% to more visitor activities, such as rental cars, taxis, restaurants, airports and cruise ship terminals, were examined. All would require considerable cooperation from the respective sector, as well as municipal and provincial governments, and in some cases, transportation authorities.

- Amusement Surcharge

An amusement surcharge could be placed on a variety of entertainment activities including festivals, sporting events, concerts and movies. Both visitors and residents would pay an amusement surcharge. The application of a surcharge may be counter-productive by reducing sales revenues and impairing the financial stability of Greater Vancouver arts and cultural organizations. The business plan assumes a considerable contribution will be made by the cultural organizations as they deliver the initiatives of the plan. In addition to the support of business, any such surcharge would need to be enabled by provincial legislation.

- Private Sector Investments

Private sector partnerships are becoming an increasingly important source of funding for arts and culture activity. Funding derived from this source should not compete with individual arts and cultural organizations. They rely on this revenue stream and will be using this source as a portion of their contribution in activities invested in through these initiatives. Individual initiatives such as the Information Network may be appropriate for private sector partnerships.

- e-commerce sales

In the short-term this is not a reliable source of revenue as the Network is not yet established. In the longer term the sales generated through the Information Network could be a major source of revenue for this initiative.

- Lotteries

Lotteries have a high degree of risk associated with them. They are unreliable as a revenue source.

Financing Options Conclusion

Considering the criteria, three possible options emerge: per capita, visitor surcharge and amusement surcharge. With the exception of the per capita contribution, the sources cannot be relied on in the short-term due to the considerable time and effort needed for their approval and implementation. Therefore, a per capita contribution is the most suitable source of funding in the short-term. Other sources should be pursued through the course of the business plan.

2. Governance Options

In order to implement the Business Plan initiatives, the establishment of an inter-municipal arts and culture partnership is recommended in the *Strategies* report. A review of governance models in other jurisdictions provided the following points used to establish potential models for the partnership.

- Involvement with Government

Most arts and cultural public funding agencies maintain some contact with government, either directly through board membership or control of board appointments.

- Board/Committee Make-Up

Most arts and cultural funding agencies rely on a mixture of skills and interests on their boards, committees, and/or juries. Few are governed solely by municipal officials.

- Raising Other Funding

Being close to government is important when the organization is trying to raise funds from other levels of government. Distance from government is important when raising private sector funds.

While it is useful to look at other models, these agencies deal predominantly with dispensing grants and not the full range of activity envisioned for the inter-municipal arts and culture partnership. It should be remembered the business plan deals with a wide range of strategic activity beyond the allocation on grants.

Three governance models were examined as possible means of establishing the inter-municipal arts and culture partnership.

Option 1: Arm's-Length Non-Profit Charitable Society

This option would establish an independent non-profit charitable society with service agreements between the society and Greater Vancouver municipalities. The participating municipalities would determine the Constitution and By-laws of the Society, including membership criteria, board appointments and criteria, and opting in and out requirements.

The advantages of this model include its potential for cost-effectiveness, flexibility and entrepreneurial approach to achieving outcomes. Disadvantages include that it is not directly accountable to municipalities and their residents. It also may have a limited view of the region-wide issues and concerns. The flexibility of membership could result in uneven participation, making equitable delivery of the plan's initiatives challenging. Finally, unless all members sign one service delivery agreement, considerable time may be spent on negotiating agreements rather than delivering the plan's initiatives.

Option 2: Inter-municipal Service Delivery Organization

This option relies on the Local Government Act's (formerly Municipal Act) ability to enable municipalities, who have collectively agreed to provide a service, to delegate delivery of that service to another organization. This option is similar in several ways to the non-profit society though it would not be arm's-length but owned by the participating municipalities. Those municipalities would use the flexibility provided in the Local Government Act to select the purposes of the organizations, its membership, funding and board structure. A single services establishment

by-law would then be passed. The provisions would allow for service reviews to ensure accountability and an established means of opting in and out through the Local Government Act.

Advantages of this option include the ability to achieve a region-wide perspective in delivering the initiatives, a high profile within government, a stronger ability to leverage senior government dollars and greater ability for long-term planning. A disadvantage of this type of organization is it is somewhat more costly and less flexible than the arm's-length, non-profit society due to its attachment to government.

Option 3: Greater Vancouver Regional District

This option would have the municipalities delegate the GVRD responsibility for implementing the business plan's initiatives. The required functions would be performed by an existing or new department within the GVRD. While appropriate advisory committees could be established, the GVRD Board would be responsible for establishing policy and approving key decisions.

The advantages include the ease of using an existing inter-municipal organization with a standard level of transparency and accountability. Among its disadvantages, it would likely be less flexibility in delivering the initiatives, less responsive to the sector's needs, and potentially less cost-effective relative to the other options.

Governance Option Conclusion

An inter-municipal service delivery organization has many of the advantages but not all of the disadvantages of the other two governance options. An inter-municipal organization, particularly if it has a diverse board with members from the arts, business and general community, should be able to achieve a good balance between fiduciary responsibility to Greater Vancouver municipalities and the involvement of the arts, business and general community. This will maximize the effectiveness of the initiatives undertaken.

Because a significant proportion of total financing to implement the business plan is likely to be obtained from per capita contributions from Greater Vancouver municipalities in the short-term, an inter-municipal service delivery organization is the most appropriate governance option. This will ensure the interests of Greater Vancouver residents and businesses, as represented through municipal governments, are met.

WHY WORK TOGETHER TO DEVELOP **ARTS *and* CULTURE?**

- Create more choice and opportunities region-wide
- Leverage senior government dollars
- Strengthen local arts and cultural organizations
- Save time and money
- Enhance quality of life in communities
- Realize economic benefits from stronger cultural sector

HOW IMPORTANT ARE **ARTS *and* CULTURE?***

89% of Greater Vancouver's residents consider arts and cultural activities important to the quality of life in their communities.

84% of Greater Vancouver's residents have attended an arts event in the last year.

* Survey of Public Attitudes Toward a Regional Cultural Plan for Greater Vancouver. Canadian Facts, August 2000.

Regional Cultural **DEVELOPMENT PLAN**

A PROPOSAL FOR AN INTER-MUNICIPAL INITIATIVE

Prepared by
The Regional Cultural Plan Steering Committee
October 2000

Quality

Introducing the Plan:

MUNICIPALITIES IN GREATER VANCOUVER EXPRESSED A DESIRE TO COLLECTIVELY DEVELOP ARTS AND CULTURAL SERVICES IN 1995. Since then, a committee of municipal staff, consulting widely with key stakeholders, has worked to develop a Regional Cultural Development Plan. **The Plan's initiatives will address Greater Vancouver's key cultural issues and strengthen its arts and cultural services.** By participating in the Plan, communities throughout the region will reap significant social and economic benefits.

89% of Greater Vancouver's residents
FAVOUR AN INTER-MUNICIPAL PARTNERSHIP
TO DEVELOP ARTS AND CULTURE.

The Plan:

THE REGIONAL CULTURAL DEVELOPMENT PLAN ADDRESSES IDENTIFIED NEEDS IN PROVIDING ARTS AND CULTURE SERVICES THROUGHOUT THE REGION. The first priority will be five initiatives dealing with coordinated planning, economic development, and information exchange. The Steering Committee consulted widely before prioritizing these initiatives, which will build the region's cultural services and strengthen municipal activity. In making the selection, achievability and impact were the Steering Committee's key criteria.

DEVELOP A GREATER VANCOUVER CULTURAL INFORMATION NETWORK. The information network will serve the public, the arts and culture sector, and local planners. Residents and visitors will have information about arts events and organizations throughout the region at their fingertips. Arts and cultural organizations throughout the region will reach a broader market. Artists and cultural workers will find business and cultural information easily. And local governments will share cultural planning information and practices. *92% of Greater Vancouver's residents want better information on arts and cultural events across the region.*

DEVELOP AND IMPLEMENT A CULTURAL TOURISM STRATEGY. This tourism market offers new economic opportunities for communities and the region. The cultural tourism strategy will help arts and cultural groups build this market throughout the region. It will encourage the tourism and cultural sectors to jointly develop and market attractions to entice travellers to local communities. *84% of Greater Vancouver residents support the development of arts and cultural events to attract visitors to the region.*

DEVELOP AND IMPLEMENT A REGIONAL TOURING PROGRAM. A regional touring program will lead to professional performers appearing more often in communities and local schools throughout

the region. Venues will offer residents and visitors a greater number and diversity of arts and cultural activities in their communities. This will result in economic spin-offs, as people spend their money closer to home. *85% of Greater Vancouver residents support more performances in their communities by professional artists on tour.*

IMPROVE AND DEVELOP REGION-SERVING ARTS AND CULTURAL SERVICES. Greater Vancouver's arts and cultural organizations face serious obstacles to their growth. This action will support the development of groups throughout the region, enabling them to better serve audiences in a wider geographic area. Collaborative projects will be key to this activity. *85% of Greater Vancouver residents want more theatre, dance, music, and arts events in their communities.*

LEVERAGE SENIOR GOVERNMENT INVESTMENT. For over a decade, senior governments have under-funded BC's cultural sector. Compared to other provinces, BC is ninth in federal and eighth in provincial per capita arts and culture funding. Working together, Greater Vancouver's municipalities will leverage more arts and culture investment from senior governments. Partnerships with senior governments can also provide critical support to the region's cultural and new media industries. *93% of Greater Vancouver residents agree with the statement the "film and music industry and 'new media' companies are important to our economy."*

of Life conomic Growth

Overseeing the Plan:

A SMALL ADMINISTRATION WILL BE NEEDED TO COORDINATE THE DELIVERY OF THE PLAN'S ACTIONS, ensure the Plan meets the objectives of municipalities, and establish partnerships with senior governments. The Plan dedicates 4% of the total resources to this administration. The Steering Committee consulted on several options and recommends the establishment of an **Inter-Municipal Service Delivery Organization**.

In this option, local governments collectively agree to provide a service, then delegate delivery to another organization. They jointly own the organization and choose its board structure. Each municipality selects how it will make its financial contribution.

Two other models were reviewed, but not recommended by the Steering Committee. A Non-Profit Society does not provide adequate municipal control over the Plan's delivery. And establishing a department within the GVRD would reduce the efficiency and effectiveness of delivery, as the governing body would have responsibilities beyond the implementation of the Plan.

66% of Greater Vancouver's residents
SUPPORT ADDING \$10 OR MORE PER HOUSEHOLD
TO MUNICIPAL TAXES TO FUND AN INTER-MUNICIPAL PARTNERSHIP

Financing the Plan:

THE REGIONAL CULTURAL DEVELOPMENT PLAN requires \$6.5 million in local investment per year to fully implement its initiatives. This amount will leverage a further \$60 million in additional spending annually, including \$10 million from senior governments. The Steering Committee favours a mix of financing options. In the short term, it recommends implementing a per capita contribution as the most efficient means of raising the local investment. This option is solely within the municipalities' control.

Per capita contribution. A \$3.26 per capita contribution could fund the entire local investment. Other metropolitan regions use this source widely, averaging a \$3.95 per capita investment. This option clearly ties the investment to the primary beneficiaries: local residents and businesses.

As the activity develops other sources of financing will be established to help reduce the per capita contribution. Potential sources include:

Visitor contribution. This is a complex option, requiring approvals from the tourism sector, plus municipal and provincial governments.

Amusement surcharge. Municipalities would need to approach the provincial government to pass legislation to enable this surcharge.

E-commerce sales. Businesses would pay commissions on sales made through the Greater Vancouver Cultural Information Network.

Private sector investments. This is an appropriate source for specific Partnership activity that does not compete with arts groups.

What Happens Next?

Most city councils in Greater Vancouver will review the proposed arts and culture development plan in the fall of 2000. Here's a list of next steps in the process:

- The municipalities comment on the Regional Cultural Development Plan's financing and governance options.
- Using municipal input, the Regional Cultural Plan Steering Committee finalizes the business plan, including governance and financing.
- Municipalities formalize their involvement and work together to implement the initiatives.
- Residents and businesses receive increased social and economic benefits from expanded arts and cultural services.

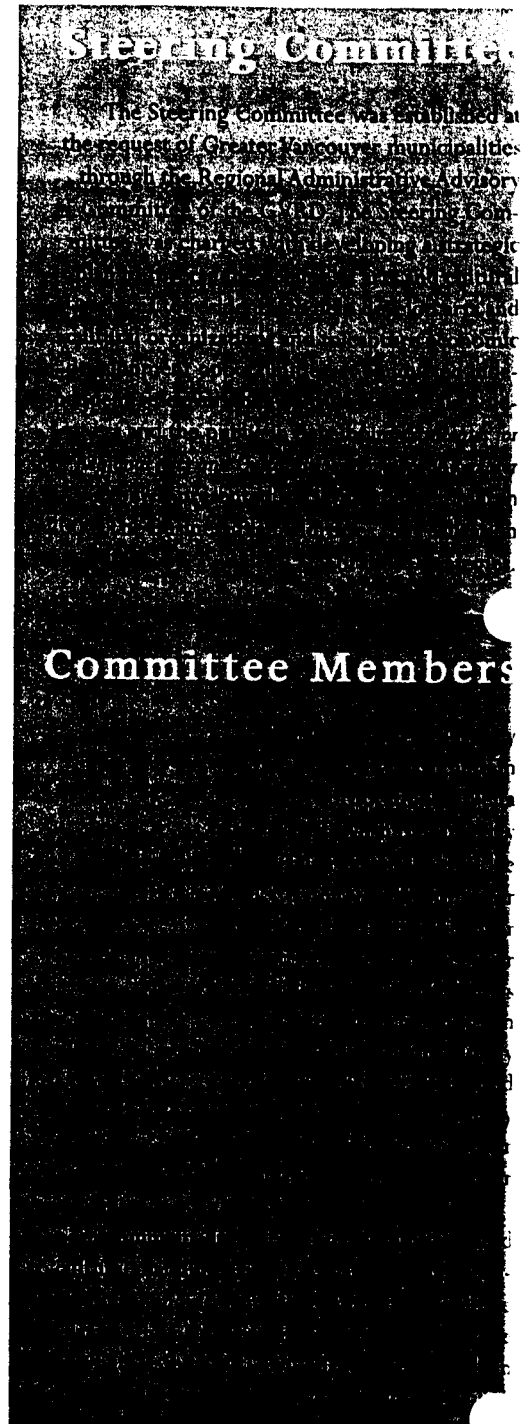
Sharing the Benefits:

What will Greater Vancouver's communities gain by partnering to develop arts and cultural services? The Regional Cultural Development Plan promises these economic and social benefits:

- 5,350 new jobs region-wide, mostly in the tourism and cultural sectors
- Direct, region-wide expenditures of \$70 million per year
- \$11 return on investment for every local dollar invested in the plan
- Increased investment by provincial and federal governments
- Increased support for local and regional cultural organizations, so they can develop and serve audiences throughout the region
- Increased local economic spin-off from arts and cultural events
- Improved flow of arts and culture information throughout the region

89% of Greater Vancouver's residents
CONSIDER ARTS AND CULTURAL ACTIVITIES IMPORTANT
TO THE QUALITY OF LIFE IN THEIR COMMUNITIES.

- Visible and comprehensive arts and culture information resource for the public
- Quick and easy access to business information for local arts groups and artists
- Easier collaborations between municipal governments on arts and cultural services
- More effective use of existing municipal resources
- More cultural tourism products to attract visitors to communities
- Greater opportunities for local arts and cultural events to tap the cultural tourism market
- Wider dispersal of cultural tourism's economic activity
- Greater amount and diversity of arts and cultural services in communities
- More residents and visitors participating in arts and cultural activities in communities throughout the region
- More appearances in communities and local schools by touring professional performers
- Closer links between emerging and established arts groups



APPENDIX C

Potential Partners who have expressed an interest in participating in the “*Strategies for Regional Arts and Cultural Development in Greater Vancouver*” Business Plan.

National:

- Department of Canadian Heritage
- Western (Economic) Diversification
- Human Resources Development Canada
- Canada Council
- CBC
- Canadian Tourism Commission

Provincial:

- Ministry of Small Business, Tourism and Culture
- BC Arts Council
- Tourism BC
- Tech BC
- BC Film
- BC Film Commission
- BC Book Publishers
- New Media BC

Regional:

- Alliance for Arts and Culture in Greater Vancouver
- Tourism Vancouver
- Regional Economic Partnership
- Board of Trade
- Pacific Music Industry Association
- New Media Innovation Centre