

A New Direction for Public Art Q4 Update

RECOMMENDATIONS:

That the Standing Policy Committee on Community and Protective Services receive this report and associated attachments for the Corporate record.

HIGHLIGHTS

- To ensure continued transparency for the Public Art Program, this report provides an update on the status of the Request For Proposals (RFP) process and summarizes Administration's activities in pursuit of an external program operator.
- What does this mean to Calgarians? A New Direction for The City's Public Art Program aims to reduce barriers for Calgary's local artist community to participate, increase transparency for citizens and increase investment in the local creative economy. It also allows the successful proponent to seek private investment from other funding sources and leverage The City's investment in arts and culture.
- Why does this matter? Having a municipally-supported public art program fosters growth of Calgary's local artist community and supporting industries, invests in projects that tell the collective history of Calgary's citizens and places, and connects communities through public art initiatives.
- Originally scheduled to report back to the Standing Policy Committee on Community and Protective Services in Q2 2020 with an update on the selected proponent, posting of the RFP was delayed to ensure organizations impacted by COVID-19 have the opportunity to bid.
- The future financial model for an externally operated Public Art Program is described and outcomes of engagement leading up to issue of the RFP are summarized.
- The graduated transition plan or "Proof of Concept" for transitioning the Public Art Program to an external operator is also described.
- Most recent Council direction: *Direct Administration to report back through the SPC on Community and Protective Services with an update no later than Q1 2020 with the elements of the Request for Proposal and provide an update no later than Q2 2020 with the selected proponent and a timeframe for implementation and initiation of first projects as well as anticipated future reporting methods and schedules.*
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

In preparation for releasing the RFP, Administration conducted public and arts sector stakeholder engagement to gather input for the development of the RFP, worked to create a sustainable financial model to support an external organization and developed a transition plan to set the new operator up for success.

RFP Current Status

A public call for RFP selection panel members was posted on 2020 September 17 and will close on 2020 October 29. The call is asking for applications from members of the arts and culture community and the public to support the selection of the external organization through reviewing applications and participating in interviews. Interviews with selected RFP proponents will occur

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following the close of the RFP on 2020 November 19. Following interviews, a final successful proponent will be selected in December 2020. An update on the final outcome of the RFP will be provided to Council in Q1 2021.

Sustainable Financial Model

The financial model is based on a review of five North American cities, including Edmonton and Winnipeg. In alignment with best practices in North America, one per cent of all eligible capital dollars will continue to be granted to the external organization per the Public Art Policy.

The average annual operating grant for an externally operated public art program is between \$500K to \$1M. An annual operating grant of \$800K will support the organization that operates Calgary's public art program into the future. This grant will be made up of \$300K from the current Public Art operating budget and \$500K from the Public Art Reserve on an annual basis. Utilizing funds from the Public Art Reserve to support the arms-length organization will require an update to the Public Art Policy. These changes will be presented to Council in Q2 2021, following the final selection of the external organization in December 2020. The financial model is presented in more detail in Attachment 2.

Transition Plan (Proof of Concept)

The graduated transition plan moves oversight of project implementation from The City to the successful proponent over the course of three years. As part of the transition plan, initial projects will include implementation of previously committed projects that were suspended as part of the Public Art Program Review in 2017 (Attachment 3). The transition plan includes annual financial and Council reporting requirements as outlined in the Investing in Partnerships Policy:

- Year one: 70% City-run projects / 30% new provider-run projects and programs;
- Year two: 50% City-run projects / 50% new provider-run projects and programs;
- Year three: Full transition to the new provider with Administrative supports through The City of Calgary.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Administration conducted public engagement to understand Calgarians' expectations and priorities for public art in our city. Led by Art + Public UnLtd, engagement included multiple virtual engagement opportunities from March to June 2020. Nearly 3,000 Calgarians, including members of the former Public Art board, Public Art Alliance, local artists, Councillors and the general public provided input. Tactics included:

- One-on-one interviews with arts community stakeholders (March-May 2020)
- Five, hour-long online engagement sessions (March-June 2020)
- A month-long online survey (May-June 2020)

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Feedback from engagement revealed three key pillars summarizing participants' aspirations for the Public Art Program: the program should be engaging, relevant and accountable. Feedback was further categorized into guiding principles that could support each of the themes. Pillars and supporting principles formed the basis of the RFP. The full Community Engagement Report, including the pillars and supporting principles, can be found in Attachment 4.

IMPLICATIONS

Social

Public art is a major contributor to social capital and quality of life. Enhanced spaces created by public art encourage gathering and connection, which impacts the development of community and social cohesion. Additionally, the Public Art Program is an outlet for community stories, history and social issues to be shared through creative expression, which fosters an inclusive and diverse city.

Environmental

The Program has demonstrated the effective use of public art in helping educate citizens about critical environmental issues, such as the important role the Bow and Elbow Rivers play in the life of our city.

Economic

Investment in visual art yields direct economic benefit for local artists, fabricators, architects and engineers, and indirectly by raising Calgary's profile as an attractive place to live, work and play.

Service and Financial Implications

Cost savings

Transitioning the program to an external service delivery model provides a significant return of one-time capital funding, as well as a one-time and annual operating budget reduction without an impact to service levels. Simplifying procurement processes and streamlining communication will create efficiencies and a more locally accessible public art program. This model also allows the operator to leverage City funds to secure other funding sources.

Moving the Public Art Program to an external service delivery model allows for a reduction in operating budget and funding returned to the Corporation for other purposes. The estimated returned operating budget is \$350K annually; \$5.8M in one-time capital funding to be returned to the Utilities & Environmental Protection department and \$3.2M one-time funding from the Public Art Reserve to be returned to the Corporation for other uses. For details please see Attachment 2.

There is no opportunity cost associated with the transition of the Public Art Program to an external operator as the budget for public art is committed, regardless of the delivery mechanism.

RISK

There is a risk the successful proponent will not be able to sustain the standard of operations proposed by The City. This could result in project delays and gaps in community programming and engagement. The graduated transition plan is intended to provide support to an external operator and ensure accountability during the transition. The City will have the opportunity to

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provide institutional experience throughout the transition and ensure the new organization is adhering to Corporate reporting standards.

A second wave of COVID-19 could prevent local organizations from completing their bid or impact the successful proponent's ability to deliver the program. This would further delay implementation of new projects and impact investment in the local creative economy. To ensure Calgary's artist-run centres, galleries and art institutions are supported, Administration will adjust timelines as appropriate, keeping Council apprised of any changes.

ATTACHMENTS

1. Background and Previous Council Direction
2. Public Art Future Funding Model and Financial Implications
3. Previously Committed Public Art Projects
4. Community Engagement Report

Department Circulation

General Manager	Department	Approve/Consult/Inform
Dan Limacher	Utilities & Environmental Protection	Approve