

Item #6.1.4.1

**Community Services Report to
Organizational Meeting of Council
2018 October 22**

**ISC: UNRESTRICTED
C2018-1241**

Calgary Film Centre Appointment

EXECUTIVE SUMMARY

The Calgary Film Centre Ltd. (CFCL) is a controlled corporation of Calgary Economic Development Ltd. (CED, a wholly-owned subsidiary of The City), and related authority to The City, established to support the growth and development of the film, television, media, and other creative industries. In 2018 June, Council approved the transfer of ownership of the Calgary Film Centre facility to The City, and a leasing back of the facility to CFCL to manage and operate. To support accountability and oversight for this new relationship, The City, CED and CFCL have agreed that The City may appoint up to two members to CFCL's Board of Directors. This report requests that a member of Council be appointed to the board of CFCL.

ADMINISTRATION RECOMMENDATION:

That Council appoint one member of Council to the Calgary Film Centre Ltd.'s Board of Directors.

PREVIOUS COUNCIL DIRECTION / POLICY

2018 June 25 Council adopted recommendations in UCS2018-0791 Proposed Acquisition (Great Plains) Ward 09 File No: 5750 76 Ave SE (JM) including the following recommendations: That with respect to Report UCS2018-0791, the following be adopted: That Council 1. Adopt Administration Recommendations 1 and 2 contained in report UCS2018-0791; and 2. Direct that Recommendations, Reports, Attachments and confidential discussions with respect to Report UCS2018-0791 remain confidential subject to Sections 16, 23 and 24 of the Freedom of Information and Protection of Privacy Act. 3. Information on the Recommendation will be released when a communications plan to the satisfaction of the Mayor and General Counsel is approved.

On 2014 May 26, Council authorized LAS2014-21, Proposed Sale of Industrial Land.

On 2014 March 31, Council adopted CPS2014-0206 The Calgary Film Studio, and it recommendations to approve the release of \$10 million from Capital Program 639 to the Calgary Film Studio subject to the execution of a Funding Agreement.

On 2011 July 25, Council adopted CPS2011-34 The Alberta Creative Hub, appropriating \$10 million MSI to Capital Program 639, and approved release of funds subject to confirmation of funding from other sources and conformance to The City's standard payment procedures.

At the 2008 February 19 Special Meeting of Council, Council adopted CPS2007-74 Updated Culture, Parks, Recreation Infrastructure Investment Plan, approving 5% (up to \$165 million) of Municipal Sustainability Initiative funds, towards culture-related infrastructure projects.

On 2007 April 16, Council adopted CPS2007-20 Cultural Spaces for the Arts Strategy and Capital Plan, receiving for information CADA's Summary Report 'Reclaiming Calgary's Cultural Identity: Arts Spaces Strategy and Capital Plan'.

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BACKGROUND

CED is a wholly owned subsidiary of The City of Calgary. The Calgary Film Centre Ltd. is a subsidiary controlled by CED, and related authority of The City, established to support economic development and diversity in Calgary through growth and development of the film, television, media, and other creative industries. CFCL's operations contribute to the implementation of Calgary in the New Economy: An Update to the Economic Strategy for Calgary.

Both CED and CFCL are consolidated within The City's financial statements. In 2018 June, Council approved the acquisition of the Calgary Film Centre facility from Calgary Economic Development. Through an operating and lease agreement between The City and CFCL, CFCL will continue to manage and operate the film centre.

Following the transfer, The City, CED and CFCL engaged in discussion on a number of issues including governance. The parties agreed that to support strong governance for CFCL, its ability to meet its mandate, and increased accountability for the new relationship, Council may appoint up to two members to CFCL's Board of Directors. This decision will be incorporated into the lease between The City and CFCL, and CFCL's bylaws will be amended to reflect this change. This approach is consistent with the relationship management practices outlined in the Investing in Partnerships Policy.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Following the process established in the Governance and Appointments of Boards, Commissions and Committees Policy (CP2016-03), Council is encouraged to appoint a candidate that aligns with CFCL's Board of Director's skill, experience and attribute matrix. The current Council appointment to CED Board of Directors would have the insight and experience to support CFCL's governance.

Stakeholder Engagement, Research and Communication

This report was prepared by Administration in consultation with CFCL.

Strategic Alignment

Strategic recruitment of board members to CFCL's governing body supports strong governance practices and enhances its ability to operate effectively, and aligns with the Investing in Partnerships Policy.

Under the One Calgary budget process, CFCL delivers services and programs that support the Citizen Priorities and Council Directives related to a Prosperous City in particular Calgary in the New Economy: An Update to the Economic Strategy for Calgary stewarded by Calgary Economic Development Ltd.

Social, Environmental, Economic (External)

Financial Capacity

Current and Future Operating Budget:

There are no additional operating costs attached to this report.

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Current and Future Capital Budget:

There are no additional capital costs attached to this report.

Risk Assessment

Working in partnerships with external organizations creates a level of reputational and financial risk for The City. To mitigate this risk, The City has clear accountability measures for CFCL embedded in its lease agreement including requirements for governance documents, occupancy rates and projection, business plans, and audited financial statements. Approving the proposed candidate will support CFCL's ability to effectively manage and operate a City-owned asset, and support a strong governance structures that can support the identification and mitigation of operational and strategic risks.

REASON(S) FOR RECOMMENDATION(S):

The recommended candidate will add to the diversity of experiences and perspectives needed on the Calgary Film Centre Ltd.'s Board of Directors to fulfill its obligations and manage and operate a City-owned asset.

ATTACHMENT(S)

None