

Capital Infrastructure Needs of Ontario's Arts Organizations

Findings of Survey Conducted in
May 2009 by ArtsBuild Ontario



Purpose of Survey

- ArtsBuild's 2006 Ipsos Reid survey identified an urgent backlog of capital needs among Ontario's visual and performing arts organizations
 - Communities across Ontario depend on their visual & performing arts organizations for community, volunteerism and tourism benefits
 - Safe and modern facilities are needed to realize these benefits
- ArtsBuild conducted this survey in May 2009 to understand the case for these organizations accessing stimulus funding programs by updating information about:
 - The demand for infrastructure funding
 - Organizational readiness to meet criteria for economic stimulus programs.
 - Distribution of projects across the province
 - Costs associated with these projects.

Who was Invited to Respond?

- Over 500 visual and performing arts organizations invited to participate by ArtsBuild Advisory Committee:
 - Artist Run Centres and Collectives of Ontario
 - Canadian Music Centre – Ontario Region
 - Dance Umbrella of Ontario
 - Ontario Association of Art Galleries
 - Professional Association of Canadian Theatres (PACT)
 - Theatre Ontario
 - Toronto Alliance for the Performing Arts (TAPA)
- In addition, regional arts councils across the province were invited to complete the survey

Key Findings

- An investment of \$20 to \$25 million in Ontario's small and mid-sized arts organizations can enable 90 organizations to complete their projects
- Projects are located in communities across Ontario
- Accessibility and retrofit for energy efficiency improvements top the list of needs
- 86% of organizations are prepared to participate in a joint application that coordinates a suite of projects

Summary of Findings

- Strong provincially representative response rate of 31%
- Projects in communities in every part of Ontario
- 89% of projects can be finished by March 31, 2011
- Value of individual projects ranges from under \$100,000 to more than \$5,000,000
 - Accessibility tops the list of needed capital improvements
 - Energy savings retrofits to make facilities more 'green' also a priority

Financial Recommendation

- Apportion a set amount for smaller projects
 - A cost effective and relatively small investment will promote employment and economic stimulus in many communities
 - Creates jobs in construction immediately
 - Invests in the creative economy for tomorrow
 - Delivers a positive impact on tourism
 - Strengthens the arts organizations themselves
 - For example, an investment of \$20 to \$25 million can enable 90 organizations to complete their projects

Process Recommendation

- Utilize creative solutions such as bundling a suite of smaller projects into one coordinated application
 - Acceptable to 86% of organizations surveyed
 - Bundling provides administrative simplicity while enabling wider access to stimulus funding
 - Umbrella organizations such as ArtsBuild can facilitate these applications

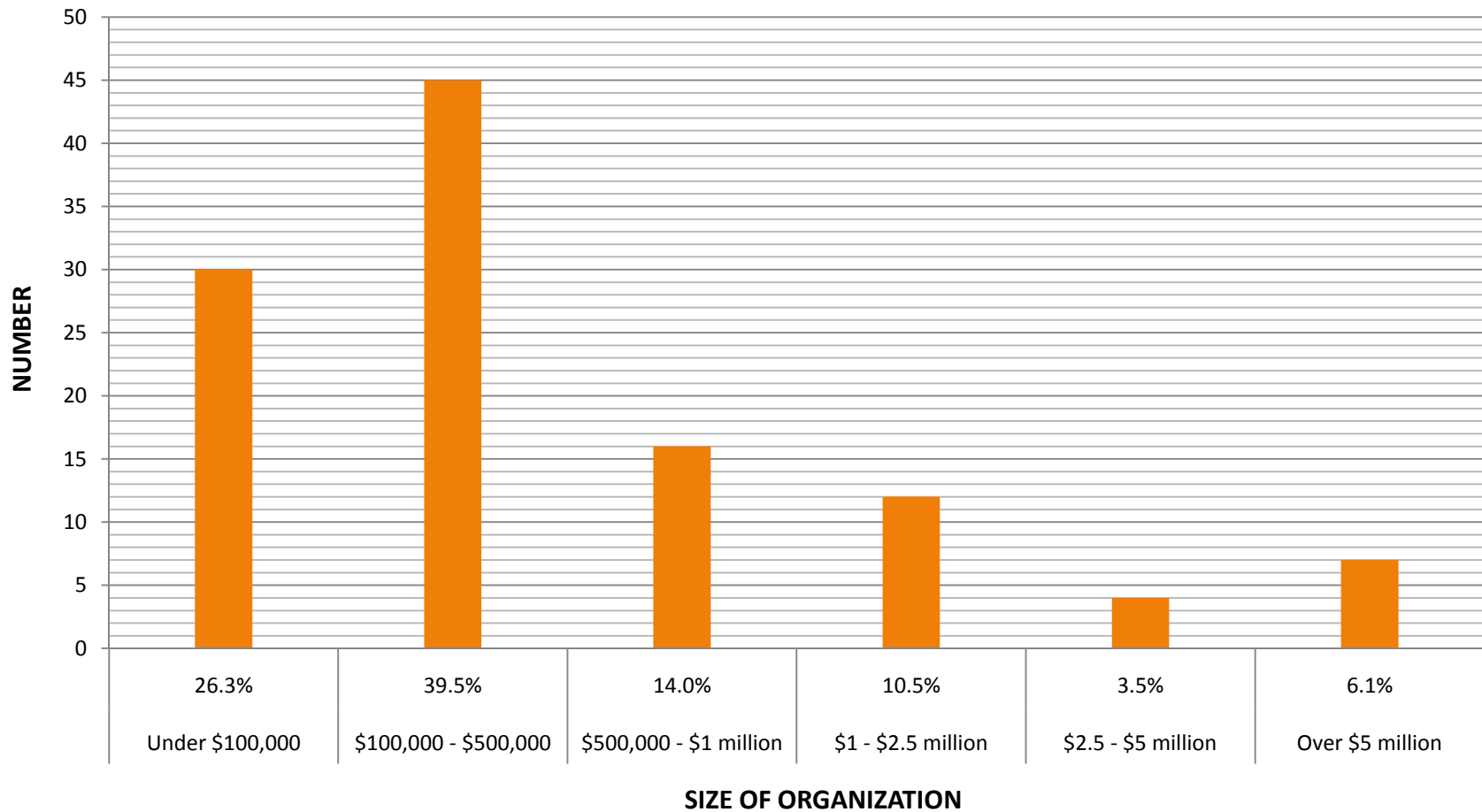
Finding: Respondent Profile

- 170 organizations from large and small communities in almost every part of Ontario
 - A strong provincially representative sample
 - These organizations are community hubs for individual and family involvement, volunteerism and learning
- The majority are small and mid-sized organizations
 - 95% have operating budgets of \$2,500,000 or less
 - Visual and performing arts are highly venue dependent
 - Theatres, theatre companies, galleries and multi-media are more likely to own or rent their facilities
 - Music and opera companies are more likely to rent venues as needed for performances

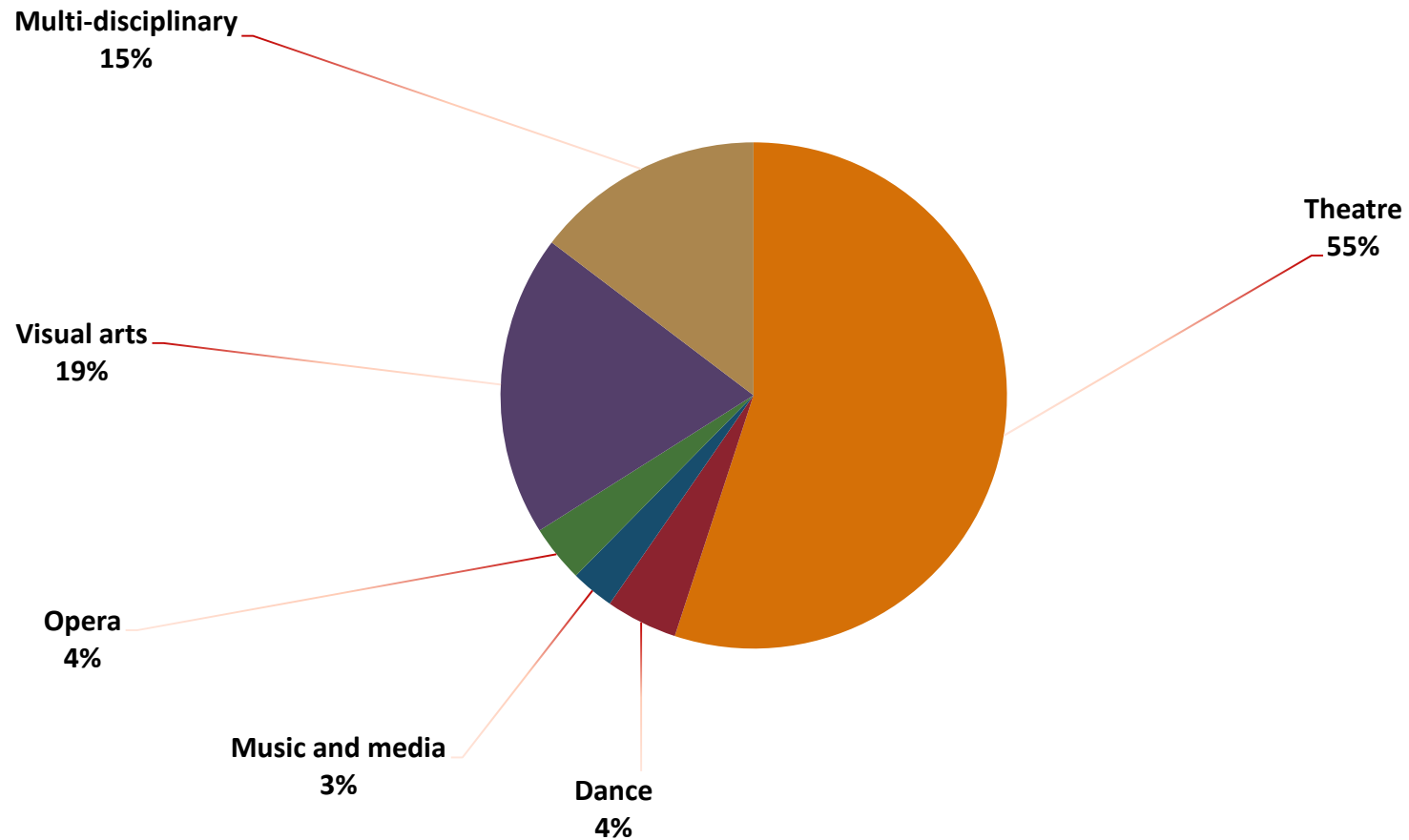
In which part of the province is your facility located?

| Region | Number of projects |
|--|--------------------|
| Northwestern Ontario | 1 |
| Algoma, Cochrane, Manitoulin, Sudbury | 3 |
| Muskoka, Nipissing, Parry Sound, Timiskaming | 2 |
| Champlain | 6 |
| Quinte, Kingston, Rideau | 11 |
| Grand River | 1 |
| Waterloo, Wellington, Dufferin | 8 |
| Hamilton | 2 |
| Niagara | 7 |
| Grey, Bruce, Huron, Perth | 5 |
| Thames Valley | 1 |
| Halton-Peel | 4 |
| Simcoe-York | 5 |
| Durham, Haliburton, Kawartha, Pine Ridge | 7 |
| Toronto | 52 |

What is your operating budget?



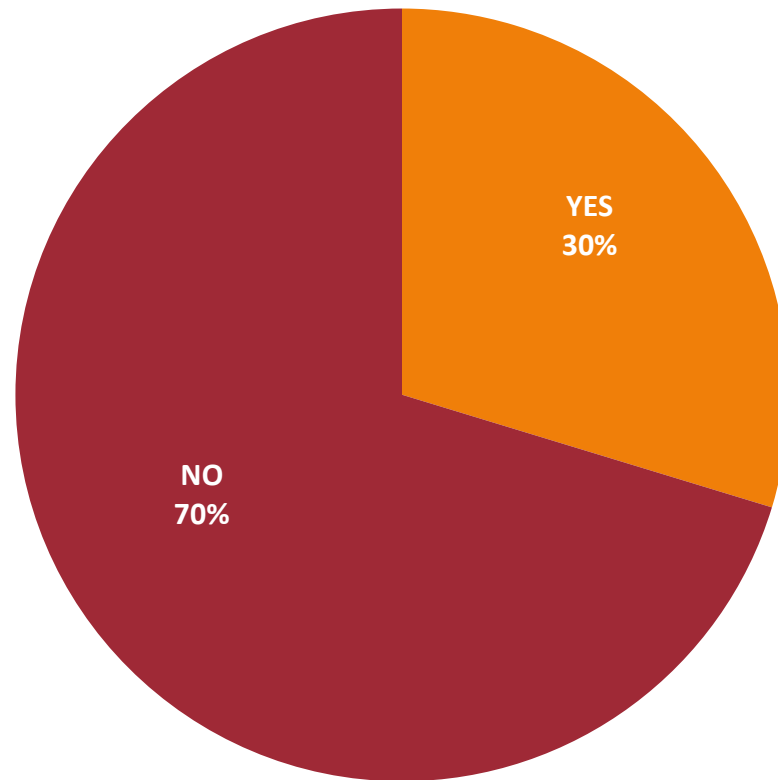
What is your organization's artistic practice?



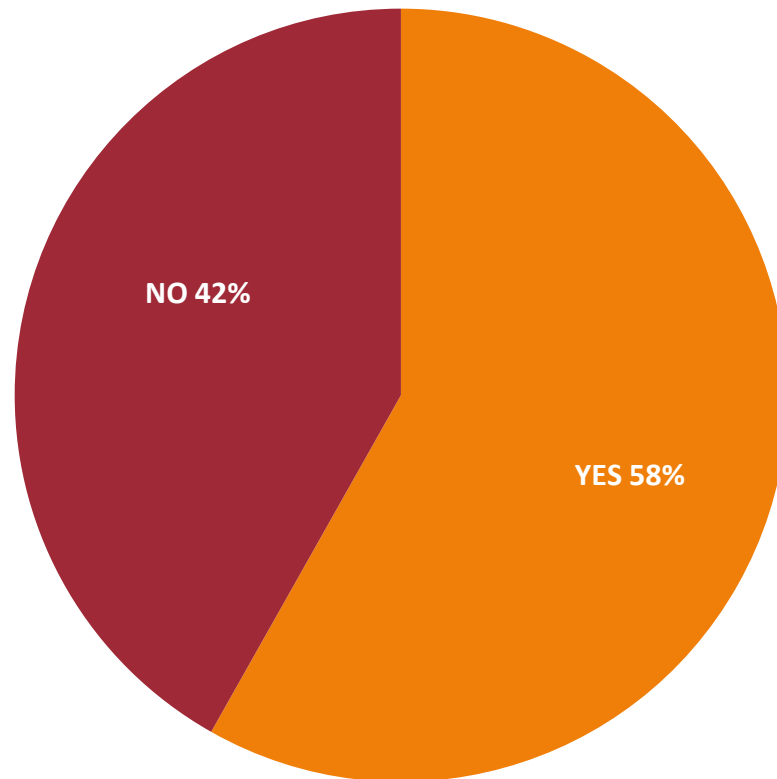
Finding: A Backlog of Capital Needs

- Overwhelming majority (145) of the 170 responding visual and performing arts organizations from have capital needs:
 - 30% are presently conducting a capital project
 - A further 60% (96 organizations) have plans for capital improvements to make their facilities safer, more useable and more accessible for their audiences and themselves

Are you currently conducting a capital project?



Do you currently have plans to do major capital improvements to your facility?



Finding: Accessibility & Energy Efficiency Top the List

- The majority of capital projects identified will make facilities safer, and be more useful for community users, audiences, performers and staff
 - Removing accessibility barriers is the most frequently identified need
 - Energy efficiency retrofits to make facilities more 'green' also a priority
 - Systems upgrades for enhanced audience experiences and budget saving upgrades are essential
 - Lighting, sound, rehearsal spaces, exhibition areas
 - Roofing and mechanical upgrades

Capital improvements needed / wanted within the next two years

| Capital Improvements (by number or organizations) | Want | Need |
|--|------|------|
| Accessibility improvement (barrier free entrances, exit s, washrooms, offices) | 51 | 11 |
| Interior reconstruction | 47 | 22 |
| Flooring and ceilings | 45 | 16 |
| New lighting systems | 42 | 19 |
| New sound systems | 42 | 16 |
| Mechanical and electrical systems such as water, hydro, HVAC, etc. | 38 | 7 |
| Security systems | 38 | 9 |
| Energy efficiency / greening projects such as lighting retrofits, insulation, etc. | 37 | 16 |
| Roofing (repair or replacement) | 35 | 2 |
| Rehearsal space | 33 | 15 |
| New windows / doors. | 27 | 12 |
| Exterior cladding | 27 | 9 |
| Life safety upgrades (emergency & exit lighting) | 25 | 9 |
| Exhibition areas | 24 | 16 |

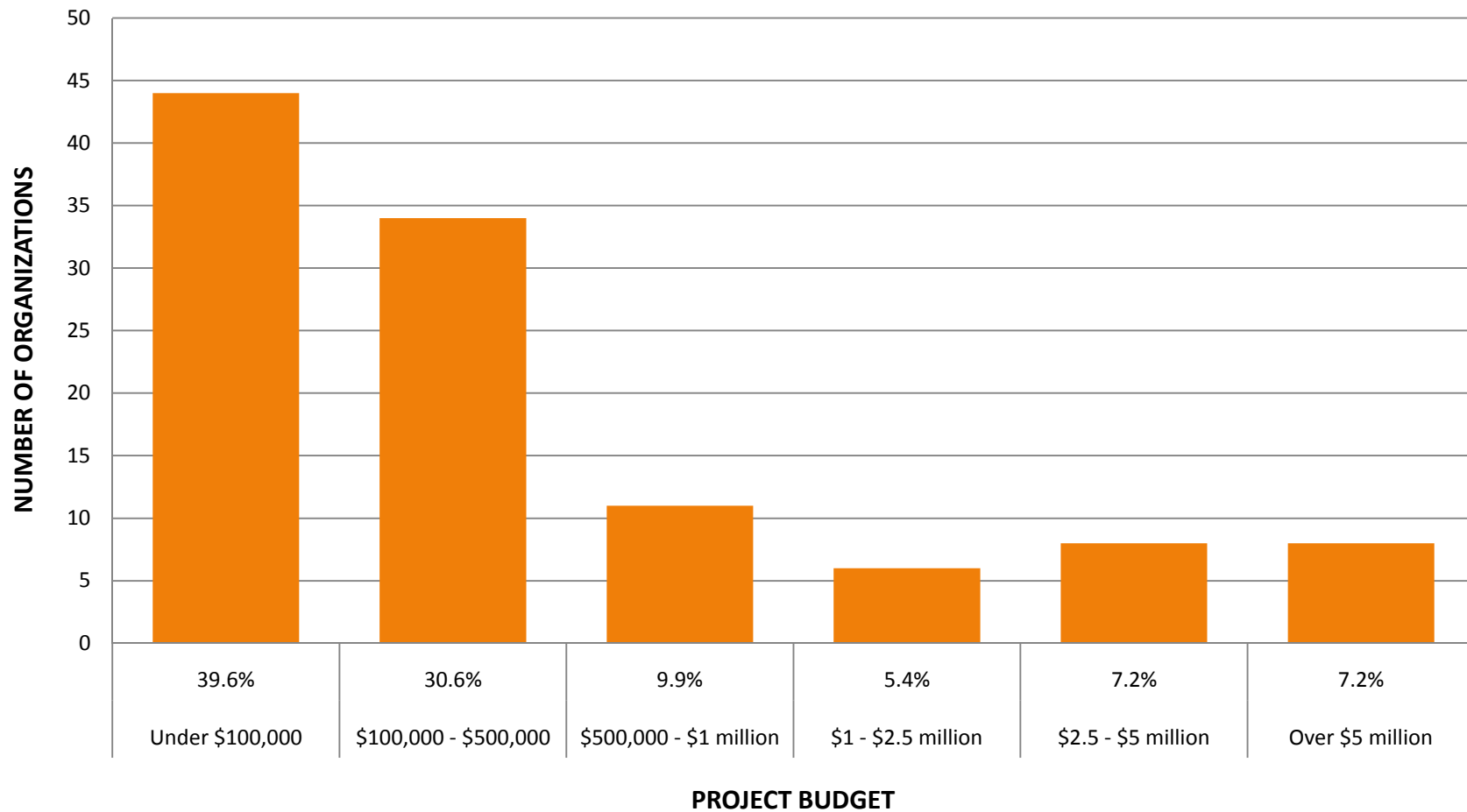
Priority of capital improvements needed / wanted within the next two years

| Capital Improvements (by number of organizations) | High | Mid | Low | N/A |
|---|------|-----|-----|-----|
| Accessibility improvement | 16 | 10 | 5 | 0 |
| Interior reconstruction | 8 | 12 | 5 | 1 |
| Flooring and ceilings | 8 | 6 | 3 | 2 |
| New lighting systems | 9 | 7 | 5 | 0 |
| New sound systems | 2 | 9 | 8 | 0 |
| Mechanical and electrical systems | 10 | 3 | 4 | 1 |
| Security systems | 4 | 5 | 9 | 2 |
| Energy efficiency / greening | 0 | 11 | 8 | 0 |
| Roofing | 11 | 4 | 1 | 8 |
| Rehearsal space | 7 | 6 | 4 | 5 |
| New windows / doors. | 4 | 1 | 7 | 0 |
| Exterior cladding | 3 | 3 | 2 | 3 |
| Life safety upgrades | 2 | 5 | 5 | 1 |
| Exhibition areas | 8 | 8 | 7 | 7 |

Finding: Value of Capital Improvements

- Over \$100,000,000 worth of projects identified
 - 40% can be completed for \$100,000 or less per project
 - 80% are valued at \$1,000,000 or less, for a total estimated value of at least \$20,000,00
 - 13% are valued between \$1,000,000 and \$5,000,000, for a total estimated value of at least \$40,000,000
 - 7% are valued at \$5,000,000 or more, for a total estimated value of at least \$40,000,000

What is your estimated project budget?



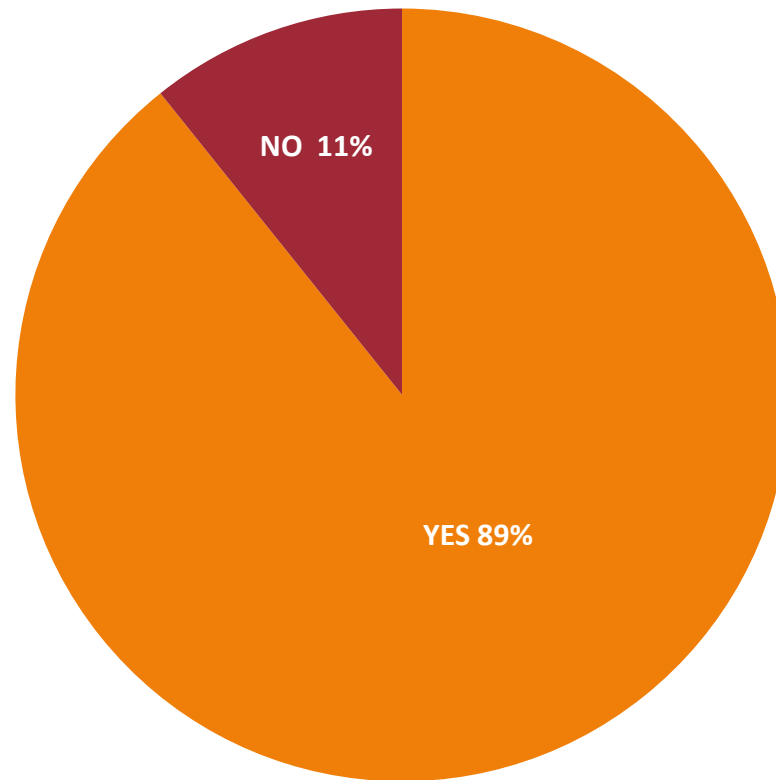
Finding: Project Start and Finish Dates

- If funding is available, 81% of the organizations that have plans for capital improvements can start their project between June 2009 and January 2010
 - 74% (50) of these can be ready by Sept 2009
- 89% of respondents can complete their projects by March 2011

When can your project start, if you receive funding?



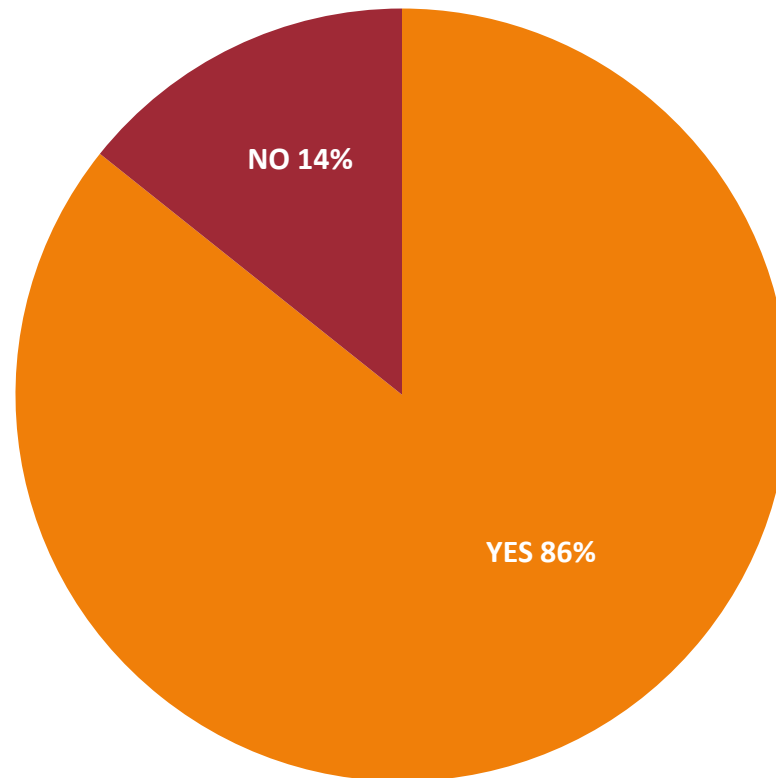
Could your project be completed by March 31, 2011?



Finding: High Degree of Cooperation

- 86% of organizations are prepared to participate in a joint application that bundles a suite of projects
- Organizations are prepared to raise the balance of funding and financing to complete the projects
- Impact
 - A cooperative approach benefits all
 - Provides one simple administrative window for a bundle of projects from every region of the province
 - Allows stimulus funding to be accessed by a wide range of worthwhile projects

Would your organization submit a joint application on a bundle of capital projects



Background: Benefits of Investing in Cultural Infrastructure

- Many cultural infrastructure projects are shovel-ready
 - Reducing lag time in the impact of new investment
- Cultural infrastructure expenditures
 - Create jobs in construction immediately
 - Invest in the creative economy for tomorrow
 - Support local trades and businesses
 - Have a positive impact on tourism
 - Strengthen the arts organizations themselves
- Cultural infrastructure projects are often small
 - Require minimal investment while generating maximum impact
 - Address years of unmet need

Background: Vibrant, Liveable Communities

- Arts organizations are core elements of vibrant, liveable communities in every part of the province
 - Enhance local economic development through direct employment and cultural tourism
 - Nurture creativity, enriching the lives of many
 - Serve as vehicles for community vitality, cohesion and family involvement
- Up-to-date, safe, adequate and increasingly green facilities are essential
 - Maintain current audiences and attract new ones
 - Make public spaces more welcoming, safe, accessible, and energy efficient

Background: Culture is Tomorrow's Economy

- Perhaps the most important reason to invest in cultural infrastructure today is that it represents tomorrow's economy
 - Arts and culture job growth has been outpacing the rest of the economy by a factor of three to one for the past 20 years
- As Canada transitions away from the manufacturing and resource sectors, arts and culture become increasingly important drivers of our new economy

ArtsBuild Ontario

- ArtsBuild Ontario provides:
 - EDUCATION to build capital project management capacity
 - INFORMATION to assist stakeholders and funders to quantify the scope and prioritize the status of potential capital projects
 - SOLUTIONS to address the acute capital infrastructure crisis facing Ontario's small and mid-sized performing and visual arts organizations
- Recognized leaders from Ontario's performing and visual arts organizations established ArtsBuild Ontario to address the long-standing need for cultural infrastructure
 - ArtsBuild's Board have demonstrated expertise in public and private sector finance, in real estate development, in the arts and in facilities management
 - ArtsBuild Advisory Committee members collectively represent over 800 organizations across the province

Thank you!

For further information, please contact:

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