



## CITY OF ST. ALBERT ADMINISTRATIVE BACKGROUNDER

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### TITLE: VISUAL ARTS STUDIO ASSOCIATION FUNDING

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#### PURPOSE OF REPORT

On October 7, 2019 Councillor MacKay provided notice in accordance with Section 23 of Procedure Bylaw 3/2018 that he intended to bring forward the proposed motion below.

*In order for Council to debate the motion, the motion must be formally moved.*

#### PROPOSED MOTION(S):

That the Visual Arts Studio Association (VASA) be provided an additional \$16,000 to cover the 2019 shortfall, to be funded from the stabilization reserve.

#### ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

Strategic Priority #2: Economic Development: Enhance business/commercial growth.

#### ALIGNMENT TO LEVELS OF SERVICE DELIVERY

Community Capacity Building and Economic Development, Management of Community Granting:

*Provision of funding to eligible St. Albert not-for-profit organizations and residents in the areas of special events, sport and culture development, operational funding and capital renovations and development.*

#### ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

N/A

#### BACKGROUND:

The Visual Arts Studio Association of St. Albert (VASA) has received an operating grant from the City of St. Albert through the Outside Agency Grant program for the past three years. They have also submitted an application for 2020. Grant amounts

for 2019 were determined following Policy C-CS-22, the Outside Agency Operating Grant Program Policy. VASA received \$27,378 from this grant program in 2019.

VASA was one of a number of organizations whose 2019 grant was less than the amount they received in 2018. There is a risk that if Council approves a grant top-up, those other agencies may also feel entitled to a similar top-up.

VASA was first approved for operational funding through the Outside Agency program for the 2017 calendar year in the amount of \$50,000. The funding was to assist with the costs associated with running programs as well as to support the full-time Executive Director position.

At the time of application, VASA had indicated to the Community Services Advisory Committee that the association was applying for charitable status and once obtained, they would be able to experience greater success with the fundraising efforts. VASA applied for and received \$50,000 again for 2018.

VASA began as a St. Albert business called The Studio Gallery, which operated for many years providing a few studio spaces for rent with a small display space for monthly art exhibitions. In 2005, VASA became a not-for-profit organization and, in 2009, opened in two locations Grandin Mall and 19 Perron Street with 15 artists.

In 2012 VASA entered into an agreement with the City to lease approximately 64% of the Hemingway Building - approximately 5,300 square feet. As per the City Owned Building Lease Rates Policy (C-CAO-16), VASA meets the not-for-profit requirements and is eligible for the nominal lease rate of \$1 per year. That amount of space at a commercial lease rate of \$20 per square foot would cost VASA \$106,000 per year.

Under the lease agreement, VASA is responsible for paying their proportionate share of the facility operating expenses (electrical, gas, sewer, garbage removal, snow clearing, etc) which is \$22,000.

VASA requested a renewal of the lease agreement when the term had ended in 2017. The 2017 lease continues to mandate that VASA use the leased premises as a sustainable Artist-Run-Centre, and outlines use restrictions, such as administration, studio rental space, clinics and programs.

The lease has been renewed until 2027 though it may be terminated early with one year's notice.

In 2018 VASA received a City of St. Albert Community Capital Grant in the amount of \$9,067. The funding received was for improvements to the kitchen, improved barrier free access through the front entrance, and improvements to the lighting in the Gallery area.

To date, VASA has indicated that they continue to pursue their application for charitable status, although have not yet been successful. VASA is unable to receive

revenue through raffles due to a change in the regulations for approving raffle license:

AGLC Policy Handbook  
Section Eligibility for Specific Groups  
Number: 3.3 2. and 4.

*... The process of creating original works of art does not constitute the delivery of a charitable program.*

*Groups that engage in art events or activities which generate income for the personal gain of the group's membership or others are not eligible for licensing.*

In their application for Outside Agency grant funding for 2019, VASA indicated that they expected to net profit between \$2,000 to \$4,000 in fundraising for the year. If granted charitable status they expected this profit to increase.

VASA is an artist run centre that provides opportunities for visitors to experience a diverse community of artists and diverse artworks. Visitors are invited to explore original works of art in a variety of mediums, such as paintings, sculptures, jewelry, mosaics, and wood carvings.

The core function of VASA is to provide studio space for artists to create work and gallery space in which to display that work. There is studio space for 23 resident artists, who share 19 studio spaces. In addition to studio space, VASA manages three exhibition spaces, varying in size within the building, in which they host a variety of shows throughout the year.

The provision of artist studio spaces and associated activities support a number of the recommendations in the Culture Master Plan, including improving artist access to opportunities, and strengthening the cultural community.

VASA also does some direct programming including running an instructional program for artists with special developmental needs called Authentic Art. They also provide artist development opportunities through drop-in community art-making sessions, and a program for Seniors. VASA has had three junior high school students participate in their mentorship program during the past five years.

The facility is open to the public five days a week, Tuesday through Saturday from 10:00 AM to 5:00 PM.

The uncommitted balance in the Stabilization reserve is \$3.3M.

Report Date: October 28, 2019  
Author(s): Paul Pearson  
Committee/Department: Community Services Department  
Deputy Chief Administrative Officer: Kerry Hilts  
Chief Administrative Officer: Kevin Scoble