

# Summary of the evaluation of the HARBOURFRONT CENTRE FUNDING PROGRAM (2014-15 to 2017-18)

## OVERVIEW

The Harbourfront Centre Funding Program (HCFP) was initiated in 2006 to provide operating funding to the Harbourfront Centre (HC). The HC is a non-profit cultural organization which provides internationally renowned programming in the arts, culture, education and recreation. It is located on a 10-acre site in the heart of Toronto's downtown waterfront.

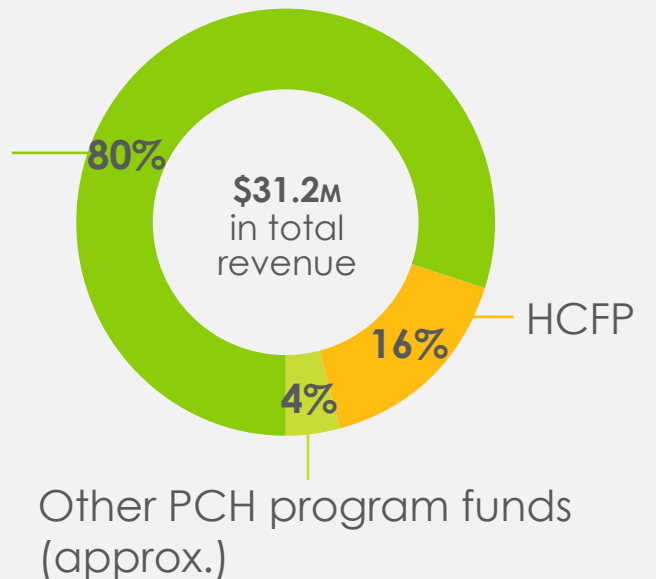
### THE HARBOURFRONT CENTRE FUNDING PROGRAM (HCFP)

Contribution of **\$5M**

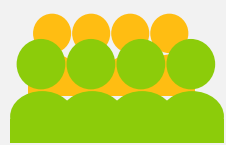
- Operating costs annually.
- Facilitating the HC's ability to leverage funds from other Government sources.
- Providing the general public with access to cultural, educational, and recreational programs and activities.

### DISTRIBUTION OF HC REVENUE

Other combined revenue sources



### THE HCFP FUNDS ARE KEY TO SUPPORTING OPERATIONAL COSTS LIKE



Salaries and benefits

Site operating costs



Capital assets



Administrative costs

Sponsorship & marketing



## RELEVANCE

The HCFP addresses a continued need for providing support to the HC and is aligned with PCH core responsibilities and the federal government's roles and responsibilities related to arts and culture.

### HC BY THE NUMBERS

**17M**

visitors annually

**4,200**

events annually

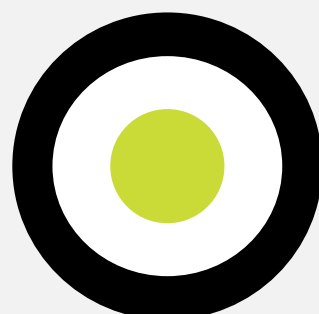
**70%**

of events free annually

**\$31.2M**

budget in 2017

### HCFP CONSIDERATIONS



HC cannot maintain its current infrastructure and deliver its planned current level of programming with its current revenues, including those from the HCFP at \$5M.

The HCFP Business Case (2019-24) forecasts that, if properly indexed to inflation, the HCFP contribution would be equivalent to:

**\$6.1M**  
**YEAR**

# PERFORMANCE

The HC could not function without the HCFP.

**\$11M** The incremental gross revenues HC would have to generate to replace the \$5M in annual HCFP support.

Without HCFP funding, there would be increased charges for programming, decreased staffing, and venue closures.

## HC COMMERCIAL REVENUE

 Parking  
**\$3.27M**



The increases in HC revenue have been offset by increased costs to maintain the site and decreased sponsorships and donations.

 Marina  
**\$2.39M**



Cost-savings by the HC:

- Cut 12 jobs and froze wages;
- Reduction in RRSP contribution;
- Reduction in short-term disability benefits;
- Reductions in insurance costs.

 Camps  
**\$2.30M**

## DEFICIT

**\$265k** (2014)      **\$2.4M** (2017)

Due partially from decreased sponsorships and donations and the increased costs of maintenance.

## DEFERRED CAPITAL COSTS

**\$15M\*** \*Does not include maintenance and repairs which would bring the total to \$17.5 M.

\$3.4M out of HCFP \$5M spent on maintenance.

## HC'S CONTRIBUTION TO THE TORONTO WATERFRONT

Over \$1M is spent on hiring over 1000 artists (many local) annually;

Galleries, festivals, arts and culture events, artists in residence, school visits, summer camps, and other recreational activities;

HC employs 120 F/T staff, 170 P/T and 350 seasonal, complemented by more than 800 volunteers.



## DIVERSITY

**OL** requirements in Contribution Agreement met.

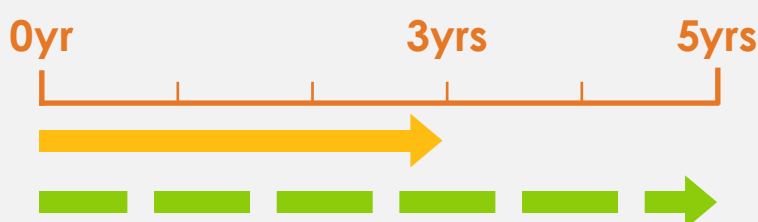


GBA+ values and principles are included in HC programming but are not explicitly reported against or measured.

## EFFICIENCY

Adequate resources and management practices were used to deliver HCFP.

## INCREASE THE DURATION OF THE HCFP CONTRIBUTION AGREEMENT



Interviews indicated that the shorter 3-year funding term was not as efficient as the longer 5-year term; the planning and application process is a high-effort activity and its frequency detracts from other management responsibilities.

## RECOMMENDATIONS

The Senior Assistant Deputy Minister of the Cultural Affairs Sector should:

**#1** Develop and implement a reporting framework with realistic and reportable benchmarks for the HCFP. This framework would serve to measure and track the organization's long-term sustainability strategy, including its deferred maintenance pressures, as well as inform senior management decision-making moving forward.

**#2** Develop GBA+ indicators for HCFP and ensure its collection, monitoring and reporting to inform policy and program adjustments.