**Agenda – Council – April 30, 2025**

**Report – Executive Policy Committee – April 22, 2025**

**Item No. 1 City of Winnipeg Proposed Public Art Program (Percent-for-Art Program)**

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 22, 2025, the Executive Policy Committee submitted the following to Council:

1. That the Proposed Public Art Program report be referred to the Strategic Priorities Action Planning process prior to the 2028-2031 multi-year budget process.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

**Report – Executive Policy Committee – April 22, 2025**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 22, 2025, the Executive Policy Committee submitted to Council that Recommendations 1-5 be deleted in their entirety and replaced with the following:

"1. That the Proposed Public Art Program report be referred to the Strategic Priorities Action Planning process prior to the 2028-2031 multi-year budget process.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing."

The following persons submitted communications in support of the matter:

- Anna Jones
- Dominic Lloyd, Executive Director, Winnipeg Arts Council

COUNCIL DECISION:

On October 24, 2024, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That an extension of time of up to 180 days be granted for the Winnipeg Public Service to report back on report back on Recommendation 1.SS of the 2024-2027 Multi-Year Budget as follows:

    A. Work with the Winnipeg Arts Council Inc. to develop a program that would include public art in major capital projects.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 16, 2024, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

David Grant submitted a communication in opposition to the matter.

**Report – Executive Policy Committee – April 22, 2025**

DECISION MAKING HISTORY (continued):

COUNCIL DECISION:

On March 20, 2024, Council concurred in the recommendation of the Executive Policy Committee, which included the following recommendation:

1. SS. That the Public Service be directed to work with the Winnipeg Arts Council Inc. to develop a program that would include public art in major capital projects and report back to Executive Policy Committee in 180 days.

# ADMINISTRATIVE REPORT

**Title:** City of Winnipeg Proposed Public Art Program (Percent-for-Art Program)

**Critical Path:** Executive Policy Committee - Council

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| D. Tooth | G. Patton | T. Graham | S. Armbruster, Interim CAO |

## EXECUTIVE SUMMARY

The Public Service has been directed to work with Winnipeg Arts Council Inc. (WAC) to develop a program that would include public art in major capital projects and recommends a pooled percent-for-art program for Council consideration.

Under a pooled percent-for-art program, all eligible investments include a specified percentage of the construction budget for public art. However, instead of being tied to a specific capital project, funds are pooled and allow for more strategic decisions on where public art is implemented.

The advantage of implementing a pooled percent-for-art program is the flexibility it provides. This enables Council to direct public art funding to a specific initiative outside the capital budget should an opportunity arise. This also provides the opportunity for the program to be reviewed and adjusted, if necessary, at the beginning of each multi-year budget cycle.

The disadvantage of this program is the less predictable funding. Contributions will fluctuate depending on eligible investments included in the capital budget. While all eligible projects will contribute to public art funding, not all projects will receive public art installations.

Operational challenges associated with implementing a pooled percent-for-art program are the restrictions on certain funding sources that may prevent contributions to the program. These will be addressed in the updated policy for Council approval.

The Public Service recommends a 0.25 percent public art allocation, capped at a maximum contribution of $250,000 per project, be incorporated into eligible capital projects for the next multi-year budget cycle beginning in 2028 and that the Public Service be directed to work with WAC to update the Public Art Policy to reflect this approval. An appendix, within the approved budget, will be included displaying the annual contributions from eligible projects.

To illustrate use of the 0.25 percent allocation, The Public Service modelled the proposed program using the 2025 Preliminary Capital budget and five-year forecast which resulted in an average public art allocation of approximately $208,000 per year. The proposal in this report

includes the requirement for 10 percent going towards maintenance, leaving approximately $187,000 of funding for the program.

## RECOMMENDATIONS

1. That the proposed Percent-for-Art Program outlined in this report be approved and inform the next multi-year budget process beginning in 2028.

2. That a 0.25 percent allocation for public art be approved and included in all eligible capital project investments for the 2028-2031 budget cycle and that the allocation be reviewed at the onset of each multi-year budget cycle and adjusted if necessary.

3. That the Public Service be directed to work with Winnipeg Arts Council Inc. to update the Public Art Policy to reflect the Percent-for-Art program outlined in this report, to include the salary and administrative expenses of the Public Art Program Manager under the annual operating grant provided to Winnipeg Arts Council Inc., and then bring the Policy back to Council with a report for approval.

4. That the Public Service be directed to include an appendix in the Annual Capital Budget outlining the public art contributions over the 2028-2031 multi-year budget cycle.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

On March 20, 2024 Council adopted the recommendation of the Executive Policy Committee, which included the following:

SS. That the Public Service be directed to work with the Winnipeg Arts Council Inc. to develop a program that would include public art in major capital projects and report back to the Executive Policy Committee in 180 days.

On October 24, 2024 Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That an extension of time of up to 180 days be granted for the Winnipeg Public Service to report back on report back on Recommendation 1. SS of the 2024-2027 Multi-Year Budget.

## IMPLICATIONS OF THE RECOMMENDATIONS

Upon approval, the Public Service will update the Public Art Policy to reflect the direction of Council to implement the proposed percent-for-art program. The Policy will then be brought back to Council for approval.

The Public Service will incorporate the Council-approved allocation for public art into all eligible investments for the 2028-2031 multi-year budget cycle and onward.

## HISTORY/DISCUSSION

History

On September 4, 2003, Council approved in principle the Public Art Policy of the Mayor's Task Force on Public Art in Winnipeg and directed that the Chief Administrative Officer work in conjunction with the Winnipeg Arts Council Inc. (WAC) to develop the necessary procedures for implementing the direction of the policy, including but not limited to those areas relating to governance and funding.

On October 27, 2004, Council adopted a Public Art Policy. Under the Policy, WAC received an annual grant (subject to Council approval) of $500,000 from 2004-2018, $250,000 in 2019, $325,000 in 2020, $125,000 from 2021-2023 before being eliminated in the 2024 budget. WAC continues to receive an annual operating grant of $4,645,787 over the 2024-2027 multi-year budget cycle.

Included in the 2024 capital budget was the following recommendation:

> *SS That the Public Service be directed to work with the Winnipeg Arts Council Inc. to develop a program that would include public art in major capital projects and report back to Executive Policy Committee in 180 days.*

The Public Service has worked with WAC to look at a suitable program for Winnipeg. Discussions started with the challenges of the current policy. No formal procedure has been developed by the Public Service. As a result, public art has been completed on an ad hoc basis and the budget for public art in specific projects has been an agreement between the initiating department and WAC. In the absence of a specific allocation within the approved project budget, the provision for public art is coming out of the project's contingency.

The policy also includes for the recovery of the Public Art Program Manager's salary and administrative expenses, under $108,000 annually. However, with the elimination of the capital budget grant, WAC is attempting to recover the Program Manager's salary from active capital projects incorporating public art which is proving difficult and the terms of the operating grant agreement prohibit them from using those funds to cover the salary.

Ad hoc project management fees do not cover a full-time public art program management salary and benefits and the multi-year budget has also introduced complexities. To ease the administrative burden and to simplify the process, the Public Service is recommending the policy be updated and that the salary of the Public Art Program Manager be funded through the annual operating grant and that the terms of the operating grant agreement be updated to reflect same. Currently, the Policy provides the following:

> *The Public Art Program Fund shall be used for the acquisition, creation, installation, maintenance and repair of public art, and for costs related to administration and implementation of the Public Art Program, including honourariums. The spending plan provided by the Winnipeg Arts Council Inc. shall stipulate estimates for Program and Project administration, and may be capped at a maximum of 15% of the annual grant at Council's discretion.*

The two most typically used methods for public art in North America include:

1. A One-time or Annual Grant
2. A Percent-for-Art Allocation

The annual grant was the method previously used since the inception of the Public Art Policy. In the absence of the grant, the Public Service pursued the percent for art allocation method.

Percent-for-Art

This type of program charges a percentage to eligible investments in order to fund public work installations. Other Canadian Municipalities that have implemented this type of public art program include Edmonton, Calgary, Saskatoon, Toronto, Ottawa and Montreal. In 2021, Edmonton updated the program to decouple public art funding from individual capital projects noting the following inefficiencies:

- *Public art budgets and placement being driven by multiple capital project budgets rather than by a comprehensive public art planning that is aligned with the City strategic plans and maximizes the value of the public investment;*
- *Difficulties determining collective Percent-for-Art program budgets, and reporting on Percent-for-Art expenditures, due to the dynamic nature of capital project budgeting during the Project Development and Delivery Model (PDDM) process and exacerbated by multiple funding sources;*
- *Public art funding allocations from a number of capital project budgets not providing a transparent source of funding to meet the long-term needs of the public art collection, including art planning, accession, conservation and maintenance.*
- *Lack of alignment of the current Percent-for-Art program with the Capital Project Governance Policy C591 and the PDDM. Early involvement of artists in the design phase of the capital projects has been challenging since the Percent-for-Art budgets were typically calculated out of approved capital project construction budgets, which are now only approved once design is substantially advanced at PDDM Checkpoint 3.*

Under a pooled percent-for-art program, all eligible investments will include a Council-approved percentage of the construction budget for public art. However, instead of being tied to a specific capital project, funds are pooled in a separate account/reserve and allows for more strategic decisions on where public art is implemented. As noted by the City of Edmonton in their public art policy:

> *Decoupling public art funding from individual capital projects and transitioning to a public art funding model will improve program efficiency and transparency, and will allow for a more proactive and comprehensive approach to art planning, installation and maintenance, and public art budget allocation to maximize the city benefits.*

The advantage of implementing a pooled percent-for-art program is the flexibility it would provide. This enables Council to direct public art funding to a specific initiative outside the capital budget should an opportunity arise. This also provides the opportunity for the program to be reviewed and adjusted, if necessary, at the beginning of each multi-year budget cycle.

The disadvantage of this program versus an annual grant is the less predictable funding. The contributions will fluctuate over the years depending on which eligible investments are included in the capital budget and forecast. As well, while all eligible projects will contribute to public art funding not all projects will receive public art installations.

Operational challenges associated with implementing a pooled percent-for-art program are the restrictions on certain funding sources that may prevent contributions to the program. The program is proposed to be implemented citywide meaning an impact on the tax supported departments as well as the utilities. For the utilities the contributions are proposed to be outside the Dividend Policy. The updated policy will address these challenges. Other municipalities implementing this type of program analyze the proposed eligible projects and the contributions and then provide an allocation in the operating budget.

Another risk potentially impacting this type of program is the eligibility under external funding agreements. If public art is being incorporated into a specific project, the contribution should be eligible for cost sharing with other levels of government. Where it is determined public art won't be incorporated, the contribution could be considered an ineligible cost and required to be funded through City funding sources.

Program Parameters

The Public Service modelled this program using the 2025 Preliminary Capital budget and five-year forecast for discussion purposes and recommend, if the recommendations of this report are approved, that the program inform the next multi-year budget cycle beginning in 2028. This will allow the Public Service time to operationalize the program and update the Policy.

Projects categorized within the Renewal, Growth and Upgrade lifecycle activities are considered eligible investments and will therefore contribute a portion of their budget to the Public Art program. Their eligibility is based on the fact that they have a defined scope, a clear start and end date and, based on their lifecycle activity, these projects are intended to restore, expand or enhance levels of service.

Examples of eligible investments from the 2025 Preliminary Capital budget include:

- East of the Red Recreation Complex (Growth)
- Osborne Fire Paramedic Station (Renewal)
- Lagimodiere Twin Overpass Rehabilitation (Renewal)
- North Garage Replacement (Renewal)
- Southwest Interceptor (Growth)

Programs, Commitments, Studies, Preliminary Design, Land Acquisition and other non-construction related investments are considered ineligible investments and will therefore not contribute a portion of their budget to the public art program. These investments are considered ineligible due to their varying scope of work and unconfirmed timelines.

Examples of ineligible investments from the 2025 Preliminary Capital budget include:

- Regional and Local Street Renewal (Program)
- Transit Buses (Program)
- Developer Paybacks (Commitment)
- APC Capital Grants (Commitment)
- IT investments and equipment purchases (Non-construction related)

A contribution cap of $250,000 per eligible project is proposed.

Using the parameters above contributions of 1 percent, 0.5 percent and 0.25 percent were modeled resulting in the following:

| Percentage | Total 6-Year Contribution |
|---|---|
| 1% | $3.4 million |
| 0.5% | $2.1 million |
| 0.25% | $1.25 million |

The Public Service recommends a 0.25 percent contribution for the next multi-year budget cycle beginning in 2028. The total six-year contribution (2025-2030) represents an average of approximately $208,000 on an annual basis. The current policy includes the requirement for 10 percent going towards maintenance and repair, for example vandalism, of public art installations leaving approximately $187,000 of funding for the program.

Yearly contributions, once Council has approved the annual budget and five-year forecast, would be transferred out of individual capital projects and moved into a separate account/reserve managed by Planning, Property and Development, who manage the program. The maintenance contribution would be calculated and the remaining proceeds would be transferred to WAC by way of a grant agreement. This is similar to how the funds have been previously transferred when the annual grant was in place and would be included in the Grants listing appendix.

The 0.25 percent allocation would be built into the Basis of Estimate for eligible investments and reviewed at the onset of each multi-year budget cycle and adjusted, if necessary, at Council's discretion. An appendix would be included outlining the contribution over the multi-year budget cycle.

All other procedures would remain in place including WAC providing an annual spending plan to the Planning Executive Advisory Committee (PEAC) and to the Standing Policy on Property and Development for approval.

Eligible projects for Public Art Installations

The focus of the program would remain largely unchanged in that it will continue to work with the City to incorporate art into major public work initiatives. The current policy provides the following:

> ***Site Selection***
> *The Winnipeg Arts Council Inc. shall work collaboratively with The City of Winnipeg Administration to identify, evaluate and recommend potential public art project sites based on specific selection criteria detailed in the Public Art Program – Policy Implementation Guidelines. Consideration should be given to appropriate existing sites as well as the incorporation of public art into major public works projects. The City of Winnipeg, as the owner, maintainer and insurer of public art projects once installed, shall have final approval of public art project sites.*

WAC, in their Policy Implementation Guideline outline the following under Selection Criteria:

> *The following criteria should be taken into consideration when choosing a site for a public art project:*
> - *Visibility and public accessibility of the site*
> - *Public safety*
> - *Traffic patterns*

- *Relationship of proposed artwork to existing or future architectural features, natural features and urban design*
- *Function*
- *Facility users and surrounding community and interaction of users and community members with proposed artwork*
- *Future development plans for area*
- *Overall program goal or concept*
- *Landscape design*
- *Relationship of proposed artwork to existing artworks within the site vicinity*
- *Environmental impact*
- *Public accessibility of the artwork*
- *Social context of the work*

Requests for public art installations outside of projects included in the capital budget would be forwarded to WAC once approved by Council. These situations may arise from recommendations made by WAC or where the City provides direction to WAC to include public art in a specific initiative.

Process for Site Selection:

The process for site selection also will remain unchanged. The Public Art Program Manager is responsible for facilitating the public art process utilizing the following steps:

1. Public art opportunities are identified, in consultation with appropriate City department(s).

2. Opportunities are reviewed and approved by the Public Art Committee (PAC and by the Board of Directors of the Winnipeg Arts Council).

3. Public art staff selects members to serve on Selection Panel.

4. Public art staff develop, in consultation with the City and/or technical advisors, project criteria and prepare call-for-artists competition brief.

5. Public art staff sends out call for artists.

6. Public art staff, representatives from City departments and/or technical advisor conduct on-site information meeting for artists.

7. Public art staff receives artist project proposals.

**Requested Changes**

At a briefing on March 12, 2025, an earlier draft of this administrative report was reviewed by Mayor's Office staff and the following revisions were requested:

- Include information regarding the operating grant provided to WAC.

**FINANCIAL IMPACT**

## Financial Impact Statement

**Date: February 25, 2025**

## Project Name:

**City of Winnipeg Percent-for-Art Program**

**COMMENTS:**

There are no direct financial implications associated with this report.

Mike McGinn Feb. 25, 2025

Mike McGinn, CA
Manager of Finance

## CONSULTATION

This Report has been prepared in consultation with:

Winnipeg Arts Council Inc.
Chief Administrative Office
Community Services
Corporate Finance
Legal Services (as to legal issues)
Planning, Property and Development
Public Works
Water and Waste
Winnipeg Fire Paramedic Service
Winnipeg Police Service
Winnipeg Transit

## OURWINNIPEG POLICY ALIGNMENT

Goal: Leadership and Good Governance
Objective 1: Establish and implement priority actions through evidence-informed decision-making processes.
Policy 1.5: Evidence-Informed Decisions – Invest in data and technology in order to support objective, evidence-informed decision-making; support open government and open data principles for collection and sharing; help coordinate records and information management; and improve process efficiency, results-based service delivery and accountability.

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan and its Goals and Objectives, and it was determined that the Winnipeg Climate Action Plan is not applicable to this specific report.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

## SUBMITTED BY

Department: Assets and Project Management
Division: Major Capital Projects Oversight
Prepared by: D. Tooth, Acting Manager, Major Capital Projects Oversight
Date: February 28, 2025
File No: N/A

Attachments: N/A