

Kawartha Art Gallery Business Case

For the Art in Everyone



KAWARTHA
ART GALLERY

Executive Summary

The Kawartha Art Gallery, with municipal support, has transformed itself into a community space while still advancing the economy and profile of the City of Kawartha Lakes. We are a community hub that, alongside other organizations in arts and culture, has helped to grow the creative economy of CKL and increased tourism.

As a not-for-profit Gallery funding for operations remains a challenge, with arts council funding proving to be unreliable.

With little, we have achieved remarkable things. But we are now at and above capacity for operations, and to continue refining and expanding our unique and valuable programming, will need a strategic, committed investment.

While we recognize and are grateful that we are in Year 2 of a three-year operational funding agreement from the municipality, we have been recently given an unprecedented offer that was not known at the start of this funding cycle. To hit current capacity and look ahead to the increased capacity this offer will bring, we are asking for a financial reassessment in light of these changes.

Vision, Mission, and Mandate

The Kawartha Art Gallery is aligned with the City's cultural and overall objectives.

Our Vision We envision the City of Kawartha Lakes as a creative hub and **community network, connecting and engaging people** with the multiplicity of our cultures, through diverse and accessible experiences that reimagine the narrative for the arts in rural Ontario.

Our Mission The Kawartha Art Gallery is a not-for-profit organization dedicated to advancing a **healthy rural creative economy** through engaging art and cultural programs and services.

Our Mandate For the Art in Everyone

Vision Statement: Kawartha Lakes Culture in 2030 *“Residents and visitors alike enjoy a wide range of cultural activities, destinations and events provided by **a well-resourced and connected community of engaged stakeholders** including the municipality, which contributes to a vibrant quality of life and **a prosperous local cultural economy.**”*

KAG's Unique Value

What makes us unique in the City of Kawartha Lakes?

- We frequently collaborate with local businesses and charities, facilitating partnerships and bolstering the economy.
- As the only public art gallery in the region, our space serves a central purpose to serve a collection of small communities within a large, rural, single-tier municipality.
- We are a not-for-profit Gallery, which must rely on income and security from multiple sources.
- We are inclusive for all, with a focus on underrepresented groups, especially women and youth in a rural context.
- We pay CARFAC fees to our artists (essentially a nationally recognized minimum guaranteed wage), ameliorating the livelihood of citizens.
- We drive growth across the cultural tourism sector.
- We are a leader in advocacy for the economic value of the cultural sector, within and beyond the municipality.
- We have staff expertise in bringing to light provincial and national funding and professional development opportunities to our citizens.

A Brief History

Where we have come from

- Incorporated in 1976 as a not-for-profit charity, we are the only public Art Gallery in the City of Kawartha Lakes by virtue of our provincial designation and Permanent Collection.
- Began as 'Studio 8' at 8 Victoria Avenue North, Lindsay, later renamed The Lindsay Gallery.
- One of the first goals was to acquire a substantial permanent collection, which now numbers over 150 artworks by Canadian artists of regional and international recognition, including 6 by a Group of 7 artist. This permanent collection has a value of over \$1MM.

Current State of the Gallery

Current Snapshot – **where does municipal funding contribute?**

An increase in overall programming:

- Four thousand visitors annually. Since 2021 visitor exhibit attendance has increased by 10 to 15% each year. This growth is directly linked to municipal funding.
- 10 Professional exhibitions, including a student juried exhibit, and a juried exhibit partnership with Fleming College Lindsay & Haliburton
- 9 Live events, including partnerships with Fleming College Lindsay & Haliburton, Pie Eyed Monk, our first live music event, and our highest attended juried exhibit presentation, celebrating the City of Kawartha Lakes being named a bird-friendly community.
- 3 community initiatives, including a student mural project in partnership with A Place Called Home, Crazy Creative for children aged 7-13, supporting Kawartha Lakes Food Source, and LCVI Pals project.

An increase in demand:

- With Kawartha Art Gallery now in position to pay CARFAC fees to exhibiting artists, interest in exhibiting at the Gallery now fulfills a requirement for area artists to apply to Ontario Arts Council for visual arts project funding. The Gallery's exhibit schedule is now in such high demand that the Gallery is booking exhibits, 4 years in advance.
- For the first time, we are receiving requests to exhibit from across Canada, increasing CKL's profile.
- A growing number of live events, including youth art classes and art education programming, as well as community special events
- Employment of local professional artists and artisans
- Full-time Executive Director, part-time Bookkeeper, part-time Strategic Planner Coordinator (new hire), and the rest filled by casual part-time positions.
- Functioning Gallery Gift Shop

An increase in visibility and investment:

- The recent Found family donation has resulted in The Ken Found Art Fund, managed by the Community Foundation of Kawartha Lakes. Wesley Found recognized the City's investment as a stamp of approval for his own financial support.
- A growing membership

Other accomplishments can be found in the 2023 Annual report submitted to Rebecca Mustard, Manager of Economic Development.

Looking Ahead

While we remain committed to the new proposed Cultural Centre, we have also been offered a new space to operate the Gallery in downtown Lindsay, with a move-in date of September 2024. There is an immediate need for us to move out of our current location, and we wish to move ahead. When the Cultural Centre is ready, we have been given the flexibility of either moving into the Centre or consider a hub and spoke model where we will have a satellite presence in the Centre, in addition to our core new space.

Other future highlights:

- We are looking ahead to our 50th anniversary in 2026, coinciding with the 25th anniversary of CKL's amalgamation.
- Increase from 1 to 2 rotating exhibits in the space at any one time, for established and emerging artists, in addition to Permanent Collection.
- Continued national recognition of our exhibitions.
- The development of a core group of arts and culture volunteers for increased cultural tourism events for the municipality.
- Through the collaboration and partnership with our area arts

groups, elementary, secondary and post-secondary schools, we are developing an extensive fee based arts programming curriculum. A partnership between the Gallery, an area high school and Fleming Haliburton campus is currently in progress on a youth based arts curriculum program with an arts advocacy focus.

- Increased communications with a Marketing Strategy

Economic Impact

The creative economy is one of the fastest growing segments on a national and provincial level. Culture is not a special interest group – it is a business.

KAG itself has been a case study for how to operate a successful, rural art gallery with presentations at Galleries Ontario and Queen’s University. We will be attending the ROMA conference in 2025 with the intention of highlighting how municipal support is integral to sustainable operations.

- From the CKL Cultural Master Plan – “... Kawartha Lakes culture contributes \$42.9 million to Ontario’s culture GDP of \$26.7 billion.”
- Permanent Collection Potential – with appraisals amounting to over \$1 million, and works by a Group of 7 artist, there is

untapped potential for greater tourism.

- Exhibits and programming are seeing an increase in visitors from within and without CKL, with just a small investment in marketing and communications efforts. The potential is there.
- A total of \$1.3 million in grant support since 2014. As a not-for-profit, that means that after some support for staff, these monies went to local artists.
- With further investment, we are looking to create more jobs and volunteer positions in CKL, and bringing up the average salary for arts workers (\$28,681 in CKL vs. \$47,402 nationally)

Social Impact

There are currently 30,000 seasonal residents looking for access to cultural services – this is a vast, untapped market that are hungry for what we can offer. KAG is looking ahead to the growth in population in the City of Kawartha Lakes, as new residents bring with them more diverse approaches to what visual art they prefer, and how they enjoy experiencing art. The 2024-2027 draft Strategic plan lists the streamlining of municipal approval processes for residential development, and current projections indicate a CKL population increase to 117,000, with 22,000 new houses, and 39,000 new jobs by 2051 (in line with provincial growth strategy for the Greater Golden Horseshoe).

We are currently operating at/above capacity to deliver high-quality programming to the current community, while maintaining our core exhibits. Current initiatives include:

- Crazy Creative - Free programming for children aged 13 and under to work with Crayola Model Magic. Admission is food or financial donation to A Place Called Home (previously Kawartha Lakes Food Source).
- Palette Partners - a recently announced initiative partnering local artists with local businesses.
- Undercurrents - a community film program
- Artist, Teacher, and Indigenous resources on our site.
- A Music Series held at the Pie Eyed Monk
- The creation of a Special Events Committee for multiple organizations in the municipality
- An Art Warriors for Youth program
- Artist Networking events

Community Engagement and Partnerships

One of KAG's strongest areas is in the value it brings to the community. We believe in partnerships and collaborations, not silos.

Our curatorial strategy prioritizes making space for under-represented voices in the arts. We have recently collaborated with the Women's Resource Centre, Kawartha Lakes Food Source, the Canadian Mental Health Association, CKL PRIDE, A Place Called Home, and Curve Lake First Nations Community.

We have delivered art therapy programs for domestic violence youth witnesses, as well as a Community Safety and Well-Being online youth art initiative, later adopted by Haliburton County.

Demand for programming has grown each subsequent year since 2021, so much so that due to space restrictions we are needing to turn participants away. This is not the position we wish to be in.

Our Financial Ask

Between 2014 and 2016, KAG received a monthly deposit of \$3,389.04 from the City, with an immediate result of staff successfully receiving a \$750,000 grant and in total over \$1.3MM in grants since 2014. We are incredibly grateful for this support. As noted, it has opened new funding opportunities locally, and allowed us to put some investment in staff.

As we continue our growth, we will not be able to keep up with the demand we are experiencing without financial investment. Demand for our programming outweighs current capacity.

The offer of a space with new capabilities for staff is new information since our current agreement with the City was put in place. They represent a 'once-in-an-organization' opportunity, one that with the City's generous support, we wish to take advantage of.

Our ask is for a Memorandum of Understanding to be in place, with an ask for a total of \$500,000 (\$150,000 in 2024, \$150,000 in 2025, and \$200,000 in 2026) in new additional investment on top of the \$150,000 previously committed to KAG (\$50,000 each year from 2023–2025). This three-year investment allows KAG to build its staff and move into a new space, achieving a level of stability and increased/diverse revenue sources. Once the new Cultural Centre is realized, then we propose working with the municipality to revisit this funding. We are also seeking a Partnership agreement to partner with the City in its advocacy efforts.

	2023/24	2024/25	2025/26	2026/27
Municipal Support (Committed, Revenue)	\$50,000	\$50,000	\$50,000	
Municipal Support (Requested, Revenue)		\$150,000	\$150,000	\$200,000
Rent (Expense)		\$45,000	\$52,000	\$60,000

Additional municipal funding, as can be seen above, is going to directly support Kawartha Art Gallery’s rent of the new space. At the same time, it allows KAG to vacate valuable space in the Lindsay Branch of the Kawartha Public Library, that is desperately needed, and would otherwise need to be found with an additional cost to the City. By adding another cultural tourism building downtown, this move fits into the Downtown Revitalization efforts.

Increased funding will allow KAG to invest in people. As a not-for-profit, money that comes in goes into valuable programming and financial opportunities for local artists.

It will enable the Kawartha Art Gallery:

- To depart its current space. With the Gallery remaining in its current space, it impedes not only our growth, but the growth of the Library. This represents an opportunity for the Library, another growing cultural institution, to expand its own programming.
- To shift to a location with more foot traffic, space, and control will fundamentally change the operations of KAG. Linborough has offered rent support and will release us from our rent obligations once the Cultural Centre is realized.
- To invest strategically in staff, focusing on a Strategic Planner, Programming Coordinator, and professional fundraiser.
- To complete a three-year Strategic Plan
- To allow skilled staff to develop policies and procedures for meeting the increased demand of KAG's unique curatorial and programming services.
- To diversify revenue streams - individual, corporate, and public.
- To highlight to provincial and federal arts councils we have continued municipal support, as we look to diversify our funding. At the same time, it will not make us over-reliant on

arts councils that offer no organizational stability.

- Provide a shared space with KLAC, which in turn creates the opportunity for the Kawartha Lakes Arts Council to generate new revenue streams with a physical place of business.

Financial Overview – Projections

With this investment to help hire more staff and move to a larger and more functional space, alongside a three-year strategic plan, we can conservatively make the following increased projections in sources of revenue (across three years):

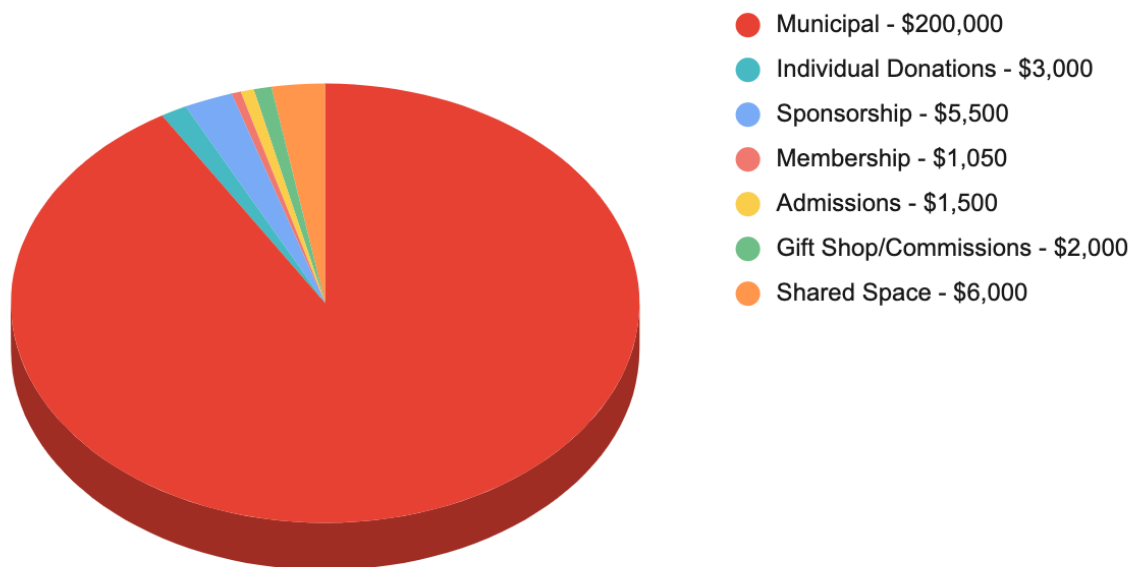
- **Art Programming** – 15% visitor increase each year, with the ability to host more, larger events. Visitor ship has grown 10–15% each year since 2021, and we see this continuing.
- **Individual Donations** – 10%, 15%, then 25% growth each year (\$3,000, \$3,450, \$4,312 respectively), to coincide with the hiring of a fundraising professional. 2023 was our highest year for this, and we intend to capitalize on momentum.
- **Sponsorship** – Growth from \$5,500 this current year to \$8,000 by the end of the third year.
- **Membership** – a return to pre-pandemic levels would equal 33% growth each year.
- **Gift Shop** – 10%, 15%, and then 20% growth (\$2,000, \$2,300, \$2,760 respectively). 2023 was our highest year for this, and the new space will allow for even more foot traffic and

window-shopping interest.

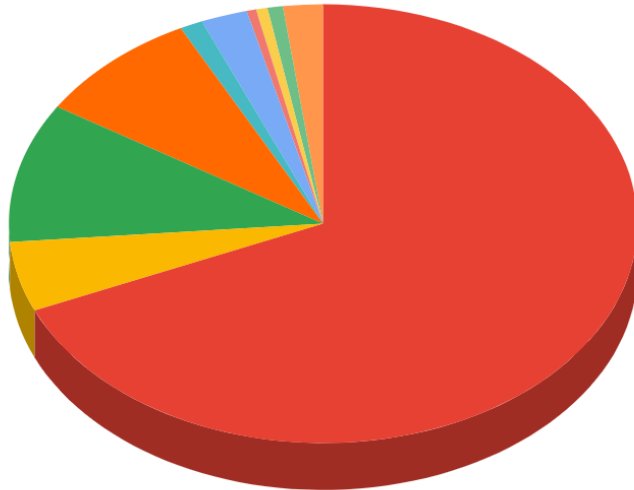
With the unreliability of provincial and national arts council **grants** now, we are unable to make a solid prediction in growth. However, it is important to note that our intention is to explore opportunities for advocacy for increased support for rural cultural organizations, at the national level with the Canada Council for the Arts.

Revenue Breakdowns

2024/25 - Revenue Breakdown

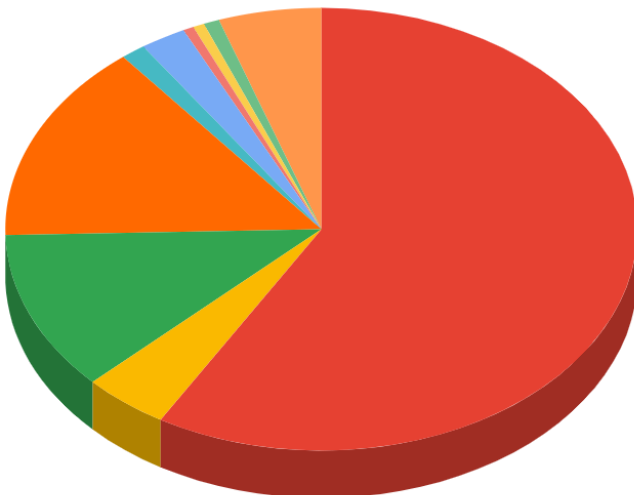


2025/26 - Revenue Breakdown



- Municipal - \$200,000
- Provincial Grants - \$15,000
- National Grants - \$30,000
- Foundations - \$25,000
- Individual Donations - \$3,450
- Sponsorship - \$7,000
- Membership - \$1,397
- Admissions - \$1,725
- Gift Shop/Commissions - \$2,300
- Shared Space - \$6,000

2026/27 - Revenue Breakdown



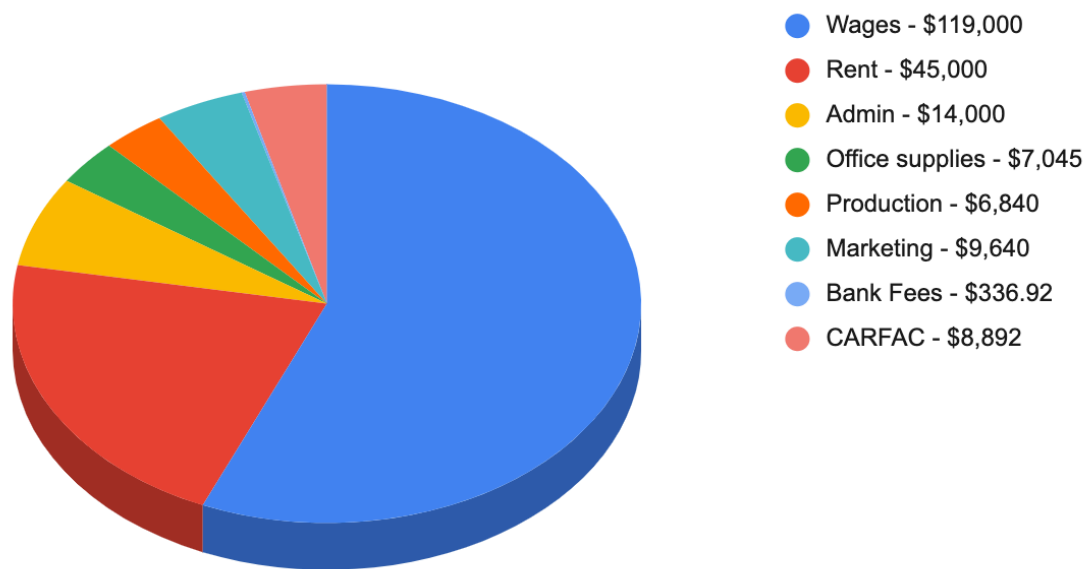
- Municipal - \$200,000
- Provincial Grants - \$15,000
- National Grants - \$40,000
- Foundations - \$50,000
- Individual Donations - \$4,312
- Sponsorship - \$8,000
- Membership - \$1,858
- Admissions - \$1,984
- Gift Shop/Commissions - \$2,760
- Shared Space - \$18,000

The 3-year projections in revenue above show a pressing need for funding in this upcoming cycle. Over time, we have a plan on diversifying revenue, including new project grants, increases in new streams of revenue (listed on p. 14), and a plan to share our space to save on rental.

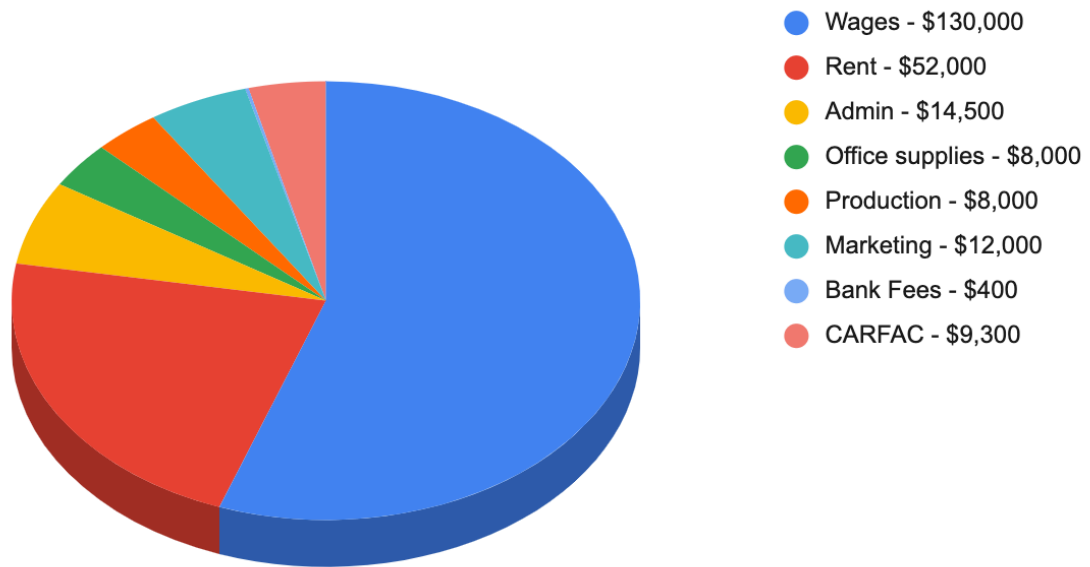
Should we fail to receive requested funding, we will **mitigate** this risk by scaling back on programming, staffing, and programming.

Expense Breakdowns

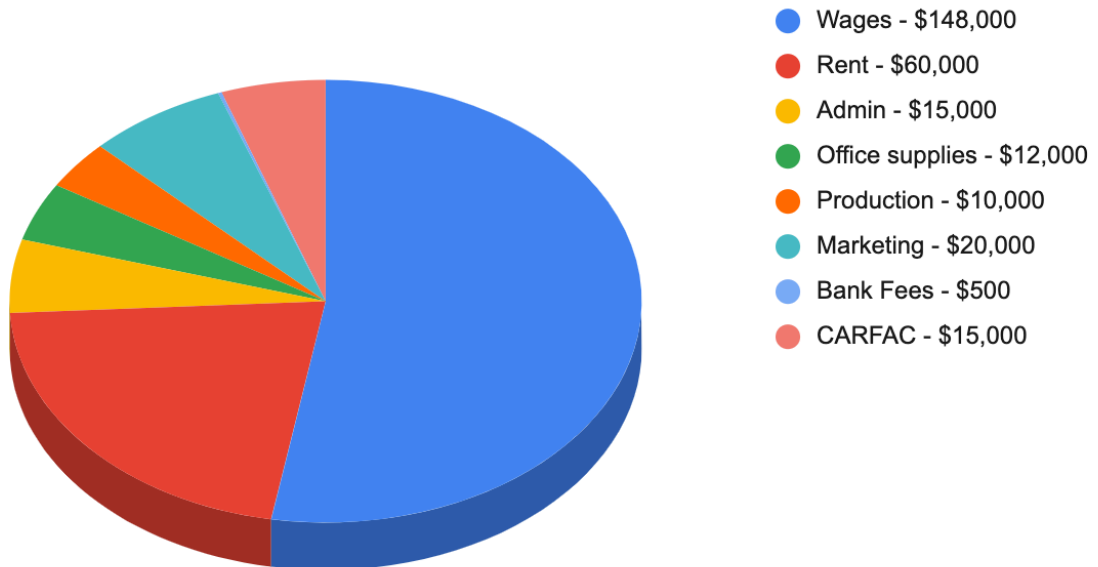
2024/25 - Expenses Breakdown



2025/26 - Expenses Breakdown

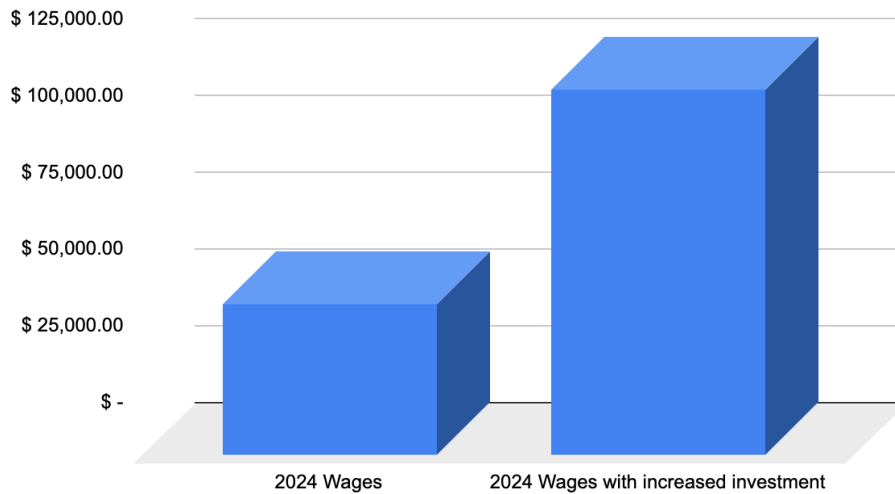


2026/27 - Expense Breakdown



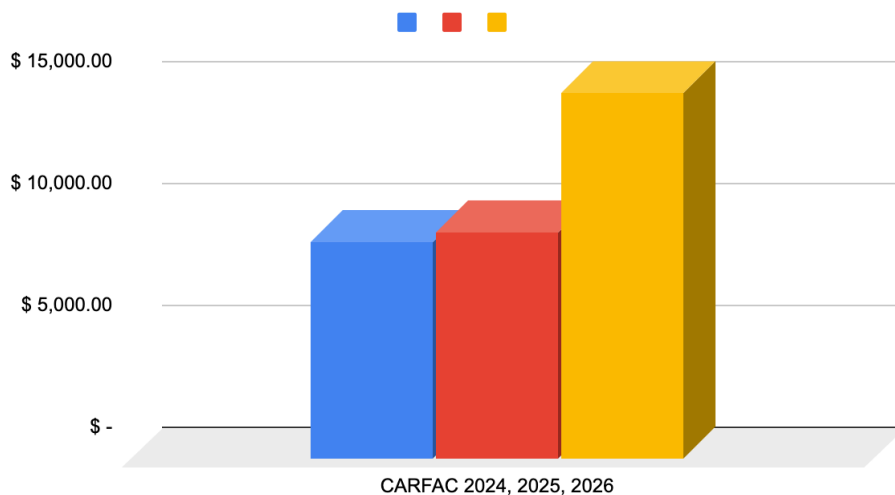
Select Expense Highlights

Wages for KAG staff



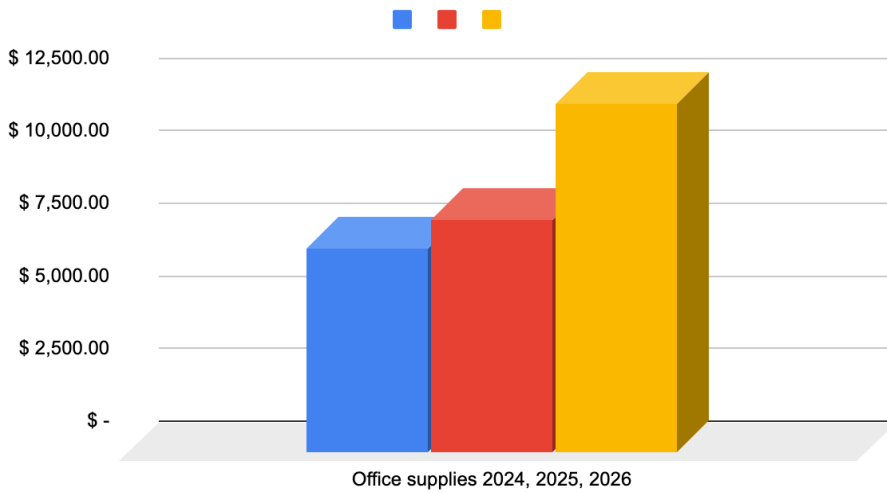
Put together, wages for all KAG employees is currently shy of \$50,000. This is well below the average for not only national medians, but even within our arts and culture industry. We need to invest in local good quality staff to grow and maintain our current level of programming.

CARFAC Artist Fees



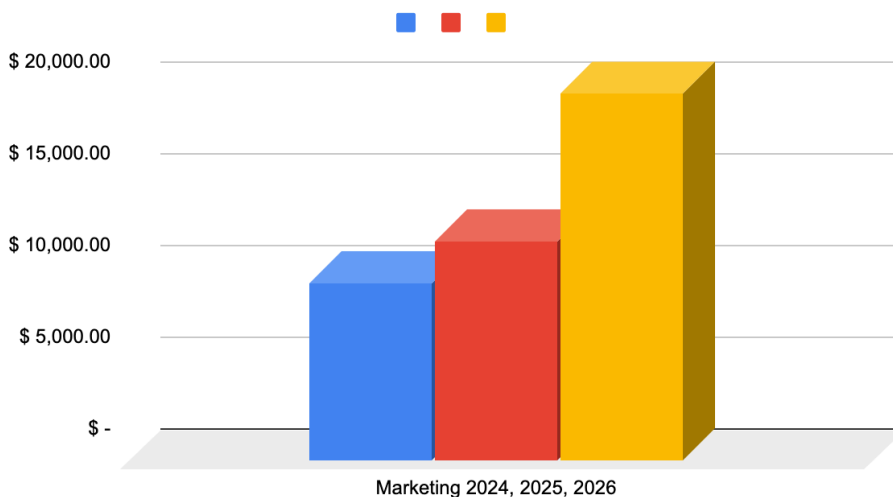
CARFAC fees go directly to local artists for taking part in KAG programming. We intend to increase these fees over time, putting money into the pockets of our local talent.

Office \$ Increase (Digital Investment)



Our highlight here for Office supplies is that we are strategically digitizing our operations, ensuring we complement our physical footprint with a digital one. This will help strengthen internal processes and help make our operations more efficient.

Marketing \$ Increase



We have seen great strides in visibility due to investment into marketing in a short amount of time, working closely with Barton Creative and new hire Tim Crouch. We believe firmly that this type of investment should continue in order to raise our profile and the profile of the City of Kawartha Lakes.

Strategic Plan

Our strategy work is in its early stages but is moving ahead in earnest to keep up with unprecedented demand. This will be a three-year strategic plan, to match the funding request and keep in line with CKL's overall strategy.

We are first and foremost interested in community impact, and the ability to carry out our programming.

Examples of key project activities to lay the foundation for greater strategic work will include:

- An **Assessment** of current activities, using: an analysis of political, economic, and social factors affecting KAG; internal/external stakeholder interviews; an environmental scan of regional galleries; assessing risks and Return on Investment (ROI) of current programs
- A **Proposal** that includes: identifying critical needs of CKL communities that KAG serves; continued work on KAG's

Unique Value Proposition (UVP); Final Recommendations

- **Execution** that will include: the successful running of activities and events; measuring community impact with pre-determined Key Performance Indicators (KPIs); evaluating partnership requests

KAG has also been working with Business for the Arts to develop a strategic plan based on the Lifecycle methodology. We are firmly placed in the **Growth** Stage, according to their assessment. It is our goal to reach the **Maturity** Stage.

To fulfil our Growth potential, our Strategic Plan focuses on the following key areas:

- **Programming** – distinguished from other organizations
- **Management** – addressing burnout and continual change with the introduction of specialized staff members.
- **Governance** – recruitment of outside professionals and greater structure.
- **Resources** – diversity of income/funding and sophisticated financial tracking systems.
- **Systems** – substantially improved to meet demands of programming expansion.

Risk Assessment

KAG has begun work on a SWOT (Strengths/Weaknesses/Opportunities/Threats) analysis, which will be expanded on during strategic planning. Initial thoughts include:

Strengths - Leadership; Community Partnerships; Demand

Weaknesses - Funding; Staff skeleton crew; Space

Opportunities - Population growth in CKL; Canada Council for the Arts; Membership growth

Threats - Changes in arts council funding; Macro-factors (pandemics, climate change);

We will be working on strategies to address and mitigate challenges.

Other current and future challenges that will affect KAG's capacity include:

- A significant change in demographics, including a younger demographic with diverse interests.
- An increased appetite for KAG's ever-expanding community events, often hitting maximum audience capacity.
- Multiple proposed partnerships from local organizations
- Unexpected national interest from artists to exhibit their work at our building.

Measurable Outcomes and KPIs

Additional funding will be used to ensure we hit the strategic goals of Growth Stage. The following may be included in reports to Council on a yearly basis:

- **Programming** - Uniqueness of programming, especially through under-represented voices in the arts (through UVP evaluation); model-driven by relying more on staff and volunteers rather than same individuals; a decision matrix for partnership opportunities that maximizes outcome for both parties.
- **Management** - Decisions are made based on organizational priorities; formalization of job roles; focus on attracting and retaining quality staff (measured by # of staff)
- **Governance** - Shared board/staff ownership with fulsome board toolkit; processes established around committee structure and recruitment
- **Resources** - Diversified income (tracked as a %); in-depth and summarized financial reports based on situation.
- **Systems** - Administrative, financial, and communication systems have been updated to support expanding and complex programming. A new space to operate out of.

Public Support

“Kawartha Art Gallery has been one of the keystones in championing creative talents within the City of Kawartha Lakes since 1976. Without their steadfast perseverance, the only guarantee is our cultural economy would not have the vibrancy we take for granted today. It is my opinion that to continue their pivotal role, a new brick and mortar location is required to more effectively provide the amenities needed to support further growth.” – **Wesley Foud**, President, Linborough Property Corp.

“The Kawartha Art Gallery plays an essential role in the City of Kawartha Lakes public art initiatives. They understand the importance of art on economic growth and creating a cultural landscape in the community. This cultural landscape creates a sense of pride setting our community apart which attracts people here because of this artistic uniqueness.” – **Chuck Burns**, Member, Kawartha Art Gallery

“KAG, through its juried exhibits, online community, events and gift shop, offers an essential platform for emerging artists to find their voices, seek validation, and make connections to the wider artistic community.” – **Amy Terrill**, Executive Director, Boys and Girls Club Kawarthas

“The Kawarthas Art Gallery is vital to the community as a creative hub for learning, culture, and diversity in our region. Our missions are aligned in the development of tourism initiatives that can drive growth in our region, The new Palette Partners initiative demonstrates their leadership and innovative thinking in advancing a creative economy in rural communities. We are proud to partner with KAG and look forward to continuing to develop projects supporting art and culture for the next generation of creators and artists.” – **Vince Killen**, Executive Director, KLCFDC/Launch Kawartha

General upcoming timeline

2024

Official Kick-off of *Palette Partners*

Expansion of concurrent exhibits in Gallery from 2 to 3

Strategic Planning Process officially begins

Launch of The Ken Found Art Fund

Move in to New Space, with potential for future Cultural Centre partnership

2025

Shift of strategy to focus on execution of Assessment

Staff hire: Professional fundraiser, to continue aid in diversifying revenue sources

Join Fenelon, Bobcaygeon, and Coboconk Chambers of Commerce (already a member of Lindsay)

2026

50th anniversary Celebrations with accompanying fundraising/marketing push. Combined events with CKL's 25th anniversary celebrations of amalgamation

Completion of strategy

Conclusion

We are no longer a small Gallery on the second floor of a library. We are a fully functioning not-for-profit public art Gallery that is now being recognized by the community and beyond for its invaluable programming and community spirit.

We are grateful for the operating support we have received from the municipality. We are now in possession of new developments and opportunities as a result of this City investment. If we don't act on the opportunities of a new space, strategic plan work, and staff development now, we will be unable to realize our full potential and community impact.

Our ask builds on our forward momentum already achieved with regards to staff investment, greater and more refined programming, diversified revenue, and new space opportunities.

In short, this investment will enable the Kawartha Art Gallery to become a stable, operationally sound contributor to the local economy.

Thank you

Your time and support are sincerely appreciated.

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