



## ADMINISTRATIVE REPORT

Report Date: June 27, 2017  
Contact: Branislav Henselmann/  
Sandra Gajic  
Contact No.: 604.871.6455/  
604.665.3020  
RTS No.: 11804  
VanRIMS No.: 08-2000-20  
Meeting Date: July 11, 2017

TO: Vancouver City Council  
FROM: General Manager of Community Services  
SUBJECT: Theatre Rental Grant Allocations - Fall 2017 and Spring 2018

### **RECOMMENDATION**

- A. THAT Council approve Theatre Rental Grants totalling \$1,101,669 to 37 organizations, as listed in Appendix A for use of Vancouver Civic Theatres (VCT) from September 1-December 31, 2017; the source of funds to be the remaining balance in the 2017 Theatre Rental Grant budget and forecast net surplus projected for VCT's 2017 Operating Budget.
- B. THAT Council approve, in advance of the 2018 Operating Budget, Theatre Rental Grants totalling \$1,790,389 for VCT uses from January 1-August 31, 2018, to 40 organizations, as listed in Appendix B; the source of funds to be the 2018 Theatre Rental Grants budget, subject to Council's approval of the City's 2018 Operating Budget.
- C. THAT Council approve the re-allocation of funds from any underused or cancelled Theatre Rental Grants on an on-going annual basis, as approved by the GM of Community Services to a maximum of \$200,000 per annum.

Approval of grant recommendations requires two-thirds affirmative votes of all Council members.

### **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

On June 14, 2016, Council approved 41 Theatre Rental Grants (TRG) totalling \$1,750,000 for the period of January 1 to August 31, 2017.

On October 18, 2016, Council approved new rental rates for VCT that included both commercial and non-profit rates for September 1, 2017 to August 31, 2018.

**CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

The City Manager recommends approval of the foregoing.

**REPORT**

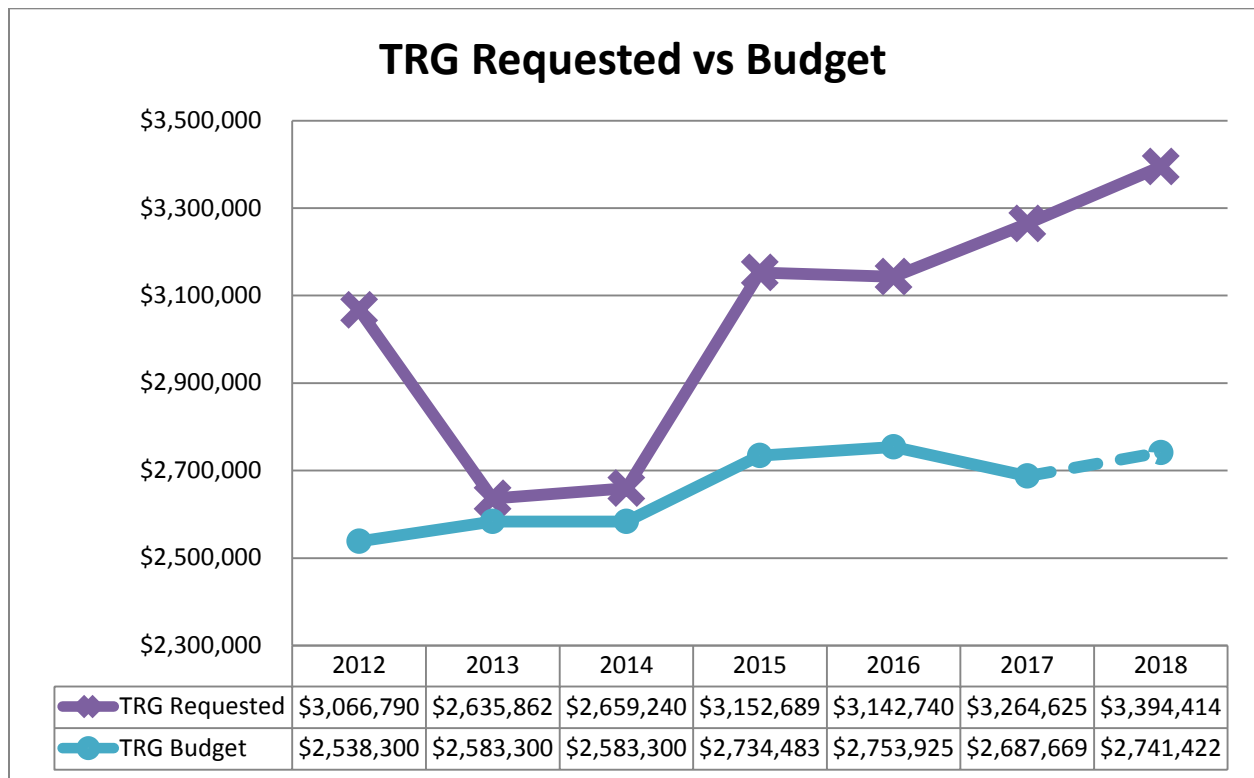
**Background/Context**

**Theatre Rental Grant Requests have exceeded the Grant Budget for 2017/18**

Theatre Rental Grants are non-cash grants that provide partial subsidy toward theatre rental costs and technical costs for cultural non-profit organizations to present their work to a broad public audience in the City's four civic theatre venues - the QET, the Orpheum, the Vancouver Playhouse and the Annex.

Between 2017 and 2018, VCT has seen an unprecedented demand for grant support with an overall difference in 2017 between TRG Requested and Budget of 21.5% and a 23.8% difference in 2018. This is due to a growing demand for live performance and film as shown in Figure 1 below.

Figure 1. Growing Demand for TRG



\* Dip in 2012/13 was due to Playhouse Theatre Company ceasing operations

\*\* 2018 TRG Budget estimated based on a 2% increase

The purpose of this report is to propose a one-time increase in theatre rental grant funding to increase the number of grants given and better meet the growing creative sector demand for civic spaces. Funding for the increased theatre rental grants would use projected additional revenues generated by Vancouver Civic Theatres operations in 2017.

The purpose of the one-time program increase is to track the outcomes - number of additional events and audience attendance, as well as overall revenue increases as a result of the higher utilization of the civic theatres. Future TRG increases to bridge the gap between the requested and council-approved grant amounts will be contemplated in future reports pending a review of the outcomes of this one time program increase and the impact on VCT's 2017 fiscal year results.

#### List of Appendices

- Appendix A - Recommendation A, Fall 2017 Theatre Rental Grants
- Appendix B - Recommendation B, Spring 2018 Theatre Rental Grants

#### *Strategic and Financial Analysis*

##### **Vancouver Civic Theatres' continuous improvement business culture has led to better cultural, community, and financial outcomes**

Since 2014 Vancouver Civic Theatres have improved their operations to the point where they are annually generating a net profit. This has been achieved through continuous business process improvements and improved customer service offerings, as well as increasing the diversity of the cultural events which has resulted in higher theatre utilization and higher attendance.

In building this financially stable and organizationally effective business, Vancouver Civic Theatres continues to invest in areas that better support existing and new events. These successes and growing partnerships have led to the increased demand for access to Vancouver's civic venues we are seeing at this time.

##### **The difference between the Theatre Rental Grant requests and budgets is more than 20% for 2017 and 2018**

This year's theatre rental grants applications were evaluated by a staff team from Cultural Services and Vancouver Civic Theatres with details listed in the Appendices attached to this report. The total theatre rental grants request for 2017 is \$3,264,625 compared to a budget of \$2,687,669. For 2018 theatre rental grants request is \$3,394,414 compared to a preliminary draft budget of \$2,741,422.

Funding a portion of the 2017 gap between the theatre rental grants budget and requested funding will:

- Allow 37 additional cultural events to be funded at 91% of their requested funding
- Increase the utilization of Vancouver Civic Theatres venues to 56% increasing attendance by 50,000 people

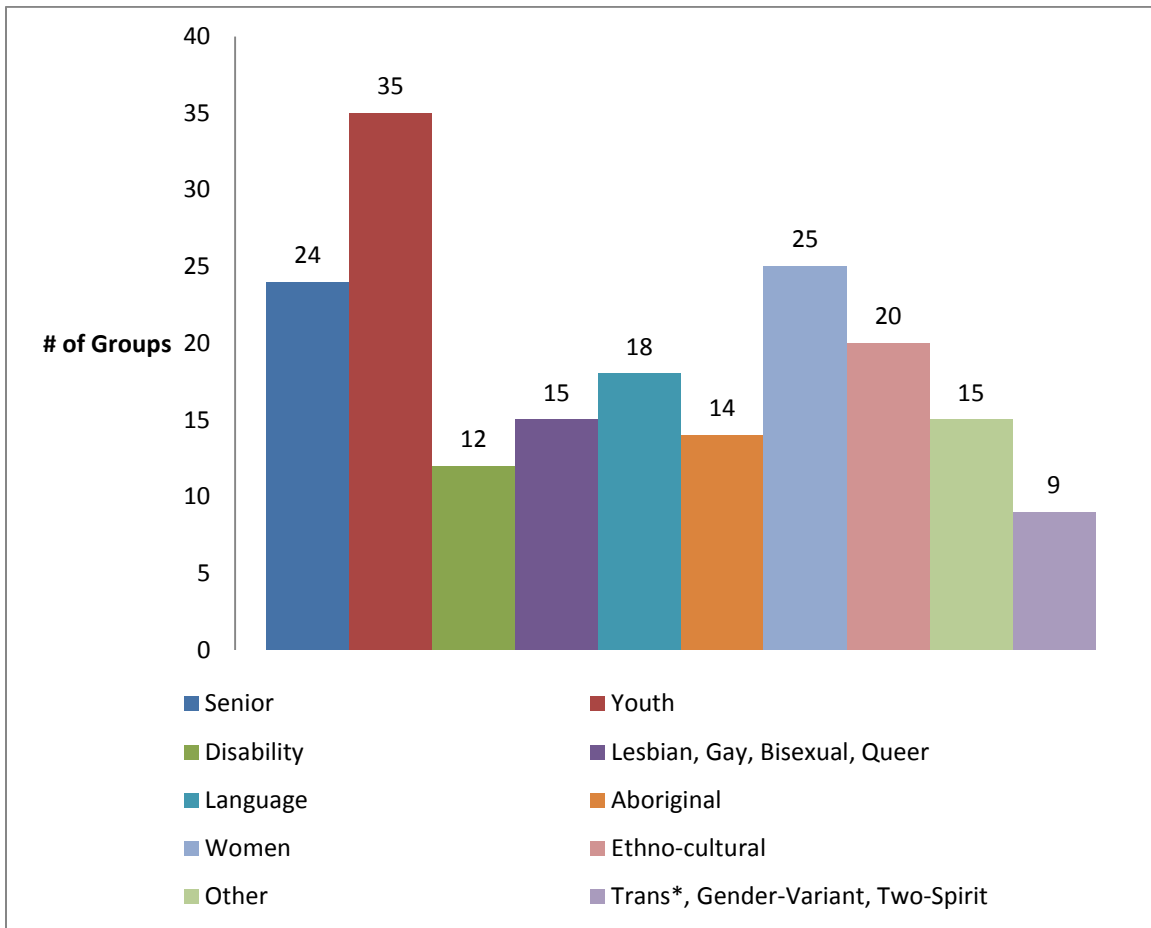
For the spring of 2018 the theatre rental grants funding will:

- Allow 47 additional cultural events to be funded at 83% of their requested funding
- Provide access to 15 new first-time applicants from a diverse cross-section of communities
- Increase the utilization of Vancouver Civic Theatres venues from 56% to 60%
- Increase attendance by 200,000 to 1,000,000 people

**Increasing the number of Theatre Rental Grants improves access to Civic Theatres by more diverse groups**

Figure 2 below, demonstrates the diversity and reach of the theatre rental grants. The grants serve Vancouver’s communities by removing access barriers to civic spaces. This year’s applications include 15 new first-time applicants from ethnically diverse backgrounds, as well as youth, aboriginal, trans, gender-variant, and two spirit communities.

Figure 2. Breakdown of Communities Served as Identified by Applicants



The proposal is for projected net revenues from Vancouver Civic Theatres in 2017 to be reinvested in theatre rental grants to support additional grants

Staff are proposing to fund a portion of the shortfall between the demand for theatre rental grants and the current budgets using the net revenue projected over budget of \$164,000 for 2017. This one time increase will allow staff to monitor the outcomes associated with increasing the number of events in the theatres. This approach would have no additional impact on tax funded budget.

**Recommendation A:** Staff are recommending 37 grants totalling \$1,101,669 for September 1 - December 31, 2017, as summarized in Table 1, including \$164,000 funded by Vancouver Civic Theatres, funding 91% of requested funding.

**Table 1 Fall 2017 theatre rental grants funding as per Recommendation A**

Current Fall 2017 TRG Budget	\$937,669
2017 Shortfall funded by Vancouver Civic Theatres	\$164,000
Fall 2017 Proposed TRG Budget	\$1,101,669

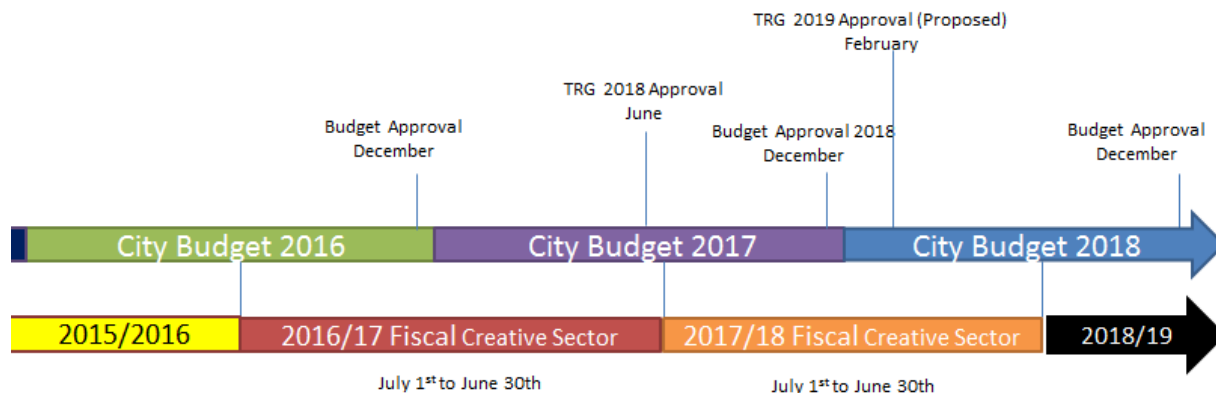
**Recommendation B:** Staff are recommending 40 grants totalling \$1,790,389 for January 1 - August 31, 2018, as summarized in Appendix B; funding 83% of requested funding, pending Council’s approval of the City’s 2018 Operating Budget. Additional funding will be contemplated pending a review of the outcomes of this one time program increase and the impact on VCT’s 2017 fiscal year results.

Further details are provided in Appendix A and B.

**Adjusting the timing of future Theatre Rental Grant reports to Council will better align with the Creative Sector’s fiscal year and presentation season**

Creative Sector partners need funding certainty in order to plan their annual budgets and presenting seasons. Presenting seasons typically are Fall and Spring which has in the past been challenging to synchronize with the City’s Budget approval process as shown in Figure 3.

Figure 3. City Budget Year and Creative Sector fiscal and presenting season



In order to address the on-going timing challenge, staff will be bringing the theatre rental grant approvals forward earlier in upcoming years from the end of Q2 to early Q1 which will correct this timing problem and create more financial certainty for grantees.

### *CONCLUSION*

Therefore staff are recommending that the theatre rental grants budget for the Fall of 2017 and Spring of 2018 be set at \$2,892,058 to be awarded to eligible recipients as noted in this report. TRG increases to bridge the gap between the requested and council-approved grant amounts will be contemplated in future reports pending a review of the outcomes of this one time program increase and the impact on VCT's 2017 fiscal year results.

\* \* \* \* \*

Recommendation A, Fall 2017

	Organization	2017 Grants Allocated June 14 2016 (RTS 11141) \$	Jan 1-Aug 31, 2017 Grant Confirmed or Actual Uses \$	Sept 1 - Dec 31, 2017 Requested \$	Sept 1 - Dec 31, 2017 Recommendation (91% of requested) \$
1	Asian-Canadian Special Events Assn.			34,947	31,825
2	B.C. Chinese Music Assn.	8,130	8,130		0
3	Ballet B.C. (Pacific Ballet B.C. Soc.)	106,960	106,960	143,148	130,361
4	Blueridge Chamber Music Soc.	4,683	4,683		0
5	Borealis String Quartet Soc.	1,338	1,338		0
6	Centre culturel francophone de Vancouver			4,146	3,776
7	Children's Arts Umbrella Assn.	20,324	20,324	29,995	27,316
8	CircusWest Performing Arts Soc.			1,365	1,243
9	City of Nations Soc.			13,668	12,447
10	Coastal Jazz and Blues Soc.	40,200	40,200		0
11	Cyrilika Slavic Chamber Choir	4,065	4,065		0
12	DanceHouse (Seismic Shift Arts Soc.)	24,388	22,356	12,438	11,327
13	DOXA Documentary Film and Video Festival (The Documentary Media Soc.)	20,070	20,070		0
14	Early Music Vancouver (Van. Soc. for Early Music)	4,065	4,065	14,434	13,145
15	Erato Ensemble Soc.	2,007	2,007	2,047	1,864

	Organization	2017 Grants Allocated June 14 2016 (RTS 11141) \$	Jan 1-Aug 31, 2017 Grant Confirmed or Actual Uses \$	Sept 1 - Dec 31, 2017 Requested \$	Sept 1 - Dec 31, 2017 Recommendation (91% of requested) \$
16	Fighting Chance Productions Soc.	5,352	5,352		0
17	Flamenco Rosario (Rosario Ancer Flamenco Arts Soc.)	4,065	4,065	4,146	3,776
18	Friends of Chamber Music	22,332	22,332	15,535	14,147
19	Golden Panda International Short Film Festival Committee			13,668	12,447
20	Indian Summer Arts Soc.	13,400	13,400		0
21	Karen Flamenco Dance Soc.	8,130	7,101	8,292	7,551
22	Music on Main			14,511	13,215
23	New Performance Works Soc.	4,014	4,014	3,412	3,107
24	Pink Ink Theatre Productions Assn.	9,366	9,366		0
25	PuSH International Performing Arts Festival Soc.	51,219	47,951		0
26	Soc. for the Museum of Original Costume			1,365	1,243
27	Sophisticated Laughter Theatrical Soc.			4,146	3,776
28	Sound of Dragon Soc.	1,338	1,338		0
29	Standing Wave Soc.	1,338	1,338		0



	Organization	2017 Grants Allocated June 14 2016 (RTS 11141) \$	Jan 1-Aug 31, 2017 Grant Confirmed or Actual Uses \$	Sept 1 - Dec 31, 2017 Requested \$	Sept 1 - Dec 31, 2017 Recommendation (91% of requested) \$
30	Taiwanese Canadian Cultural Soc.			4,146	3,776
31	The Postmodern Camerata Soc.			2,730	2,486
32	Théâtre la Seizième	16,259	16,259		0
33	Tzu Chi (Buddhist Compassion Relief Tzu Chi Foundation Canada)			10,140 *Not eligible	0
34	Universal Gospel Choir			8,150	7,422
35	Uzume Taiko Drum Group Soc.	4,065	4,065		0
36	Van. Academy of Music	29,850	29,850	20,298	18,485
37	Van. Asian Film Festival Soc.			4,146	3,776
38	Van. Bach Choir	42,465	20,040	37,363	34,025
39	Van. Cantata Soc.	2,007	2,007		0
40	Van. Chamber Choir	22,425	22,425	22,876	20,833
41	Van. Chinese Instrumental Music Soc.			1,365	1,243
42	Van. Chinese Singers Soc.	4,065	4,065		0
43	Van. Chopin Soc.	6,072	6,072	6,219	5,663
44	Van. Intl. Bhangra Celebration Soc.	6,741	0		0
45	Van. Inter-Cultural Orchestra (VICO)			2,730	2,486
46	Van. Intl. Dance Festival Soc.	16,209	16,209		0
47	Van. Intl. Film Festival Soc.			149,054	135,739

	Organization	2017 Grants Allocated June 14 2016 (RTS 11141) \$	Jan 1-Aug 31, 2017 Grant Confirmed or Actual Uses \$	Sept 1 - Dec 31, 2017 Requested \$	Sept 1 - Dec 31, 2017 Recommendation (91% of requested) \$
48	Van. Intl. Writers Festival Soc.			4,146	3,776
49	Van. Latin American Cultural Centre Soc.			7,584	6,907
50	Van. New Music Soc.	4,014	4,014	1,365	1,243
51	Van. Opera Assn.	347,529	341,594	125,900	114,654
52	Van. Out on Screen Film Festival Soc.	14,227	14,227		0
53	Van. Pro Musica (Pro Musica Soc. of Van.)	1,338	1,338		0
54	Van. Recital Soc.	28,738	24,673	16,850	15,345
55	Van. Seniors' Singing Club Assn.	4,065	4,065	13,668	12,447
56	Van. Spring Show Production Organization Soc.	13,400	13,400		0
57	Van. Symphony Soc.	820,020	812,951	457,150	416,313
58	VSO School of Music	9,727	9,727	1,365	1,243
59	Yarilo Contemporary Music Soc.			1,365	1,243
	<b>Total</b>	<b>1,750,000</b>	<b>1,697,436</b>	<b>1,209,733</b>	<b>1,101,669</b>

Recommendation B, Spring 2018

	Organization	Jan 1 - Aug 31, 2017 Grant Confirmed or Actual Uses	Grant Request Jan 1 - Aug 31, 2018	Grant Requested for Jan - Aug 31, 2018	Grant Recommendation for Jan - Aug 31, 2018 (83% funding)	Funding Gap
1	Ballet B.C. (Pacific Ballet B.C. Soc.)	106,960	143,148	143,148	119,294	23,854
2	Blueridge Chamber Music Soc.	4,683	5,460	5,460	4,550	910
3	Borealis String Quartet Soc.	1,338	1,365	1,365	1,138	227
4	Caravan World Rhythms Soc.		28,179	28,179	23,483	4,696
5	Children's Arts Umbrella Assn.	20,324	39,387	39,387	32,824	6,563
6	Chor Leoni Men's Choir		13,668	13,668	11,390	2,278
7	CircusWest Performing Arts Soc.		3,412	3,412	2,843	569
8	Coastal Jazz and Blues Soc.	40,200	95,676	95,676	79,733	15,943
9	Craft Council of B.C.		4,095	4,095	3,413	682
10	DanceHouse (Seismic Shift Arts Soc.)	22,356	47,679	47,679	39,734	7,945
11	DOXA Documentary Film and Video Festival (The Documentary Media Soc.)	20,070	16,480	16,480	13,734	2,746
12	Erato Ensemble Soc.	2,007	4,094	4,094	3,412	682
13	Friends of Chamber Music	22,332	21,729	21,729	18,108	3,621
14	Indian Summer Arts Soc.	13,400	13,668	13,668	11,390	2,278
15	Karen Flamenco Dance Soc.	7,101	9,316	9,316	7,764	1,552

	Organization	Jan 1 - Aug 31, 2017 Grant Confirmed or Actual Uses	Grant Request Jan 1 - Aug 31, 2018	Grant Requested for Jan - Aug 31, 2018	Grant Recommendation. for Jan - Aug 31, 2018 (83% funding)	Funding Gap
16	New Orchestra Workshop Soc.		1,365	1,365	1,138	227
17	New Performance Works Soc.	4,014	3,412	3,412	2,843	569
18	PuSH International Performing Arts Festival Soc.	47,951	40,257	40,257	33,549	6,708
19	Sound of Dragon Soc.	1,338	8,871	8,871	7,393	1,478
20	Standing Wave Soc.	1,338	1,365	1,365	1,138	227
21	Van. Academy of Music	29,850	28,448	28,448	23,708	4,740
22	Van. Bach Choir	20,040	31,360	31,360	26,134	5,226
23	Van. Chamber Choir	22,425	22,876	22,876	19,064	3,812
24	Van. Chinese Singers Soc.	4,065	4,146	4,146	3,455	691
25	Van. Chopin Soc.	6,072	7,243	7,243	6,036	1,207
26	Van. Inter-Cultural Orchestra (VICO)		1,365	1,365	1,138	227
27	Van. International Burlesque Festival Association		8,292	8,292	6,910	1,382
28	Van. Intl. Bhangra Celebration Soc.	0	6,876	6,876	5,730	1,146
29	Van. Intl. Dance Festival Soc.	16,209	12,438	12,438	10,365	2,073
30	Van. New Music Soc.	4,014	4,095	4,095	3,413	682
31	Van. Opera Assn.	341,594	406,035	406,035	338,375	67,660

	Organization	Jan 1 - Aug 31, 2017 Grant Confirmed or Actual Uses	Grant Request Jan 1 - Aug 31, 2018	Grant Requested for Jan - Aug 31, 2018	Grant Recommendation. for Jan - Aug 31, 2018 (83% funding)	Funding Gap
32	Van. Out on Screen Film Festival Soc.	14,227	12,438	12,438	10,365	2,073
33	Van. Pro Musica (Pro Musica Soc. of Van.)	1,338	1,365	1,365	1,138	227
34	Van. Recital Soc.	24,673	19,631	19,631	16,360	3,271
35	Van. Seniors' Singing Club Assn.	4,065	8,292	8,292	6,910	1,382
36	Van. Spring Show Production Organization Soc.	13,400	20,441	20,441	17,035	3,406
37	Van. Symphony Soc.	812,951	1,033,081	1,033,081	860,932	172,149
38	Van. Tap Dance Soc.		2,730	2,730	2,275	455
39	VSO School of Music	9,727	11,514	11,514	9,595	1,919
40	West Coast Tap Dance Collective		3,097	3,097	2,581	516
	<b>Total</b>	<b>1,640,062*</b>	<b>2,148,389</b>	<b>2,148,389</b>	<b>1,790,389</b>	<b>358,000</b>

\*Note: This total will not match the one in Appendix A as the list includes only the groups that applied for 2018 uses.