



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

A12

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TO: Vancouver City Council
FROM: Director of Civic Theatres
SUBJECT: Civic Theatres Capital Projects

RECOMMENDATION

- A. THAT Council approve allocation of \$4.35 million from Civic Theatres Capital Reserve, with interim financing from the Property Endowment Fund, as follows:
- i.) \$60,000 to modify the loading dock of the Vancouver Playhouse.
 - ii.) \$90,000 for consultant fees and miscellaneous expenses to support the fund raising effort for the major Queen Elizabeth Theatre redevelopment project.
 - iii.) \$100,000 for consultant fees for design and review services for the Orpheum/Capitol 6 development project.
 - iv.) \$600,000 for consultant fees for Design Development of Phase 1 & 2 of the Queen Elizabeth Theatre Redevelopment.
 - v.) \$3.5 million for the final design development, contract documents and construction of the acoustic separation of the Vancouver Playhouse from the Queen Elizabeth Theatre.

The PEF loan will be established based on terms acceptable to the Director of Finance.

- B. THAT, if A-ii is approved Council authorize and award a contract extension with Bridge Communications as support consultant for the QET Redevelopment fund raising at a cost not to exceed \$65,000.
- C. THAT if A-iii, A-iv and/or A-v are approved Council authorize and award contracts to the consultants listed in Appendix "A".
- D. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City, all legal documents required to implement Recommendation B & C.
- E. THAT all such legal documents be on terms and conditions satisfactory to the General Manager of Community Services and Director of Legal Services, and further that no legal rights or obligations will be created or arise by Council's adoption of the recommendations in this report unless and until such legal documents are executed and delivered by the Director of Legal Services.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends APPROVAL noting that the timely refurbishment of the Civic Theatres is critical to the ongoing success of the resident performing arts companies and in ensuring that the City's cultural infrastructure, which will be flagship venues for the arts and cultural programs associated with the 2010 Winter Olympic/Paralympic Games, provides the best opportunity to showcase Vancouver's finest creative talent on a global stage.

COUNCIL POLICY

Council must approve allocation and commitment of funds from the Civic Theatres Capital Reserve.

Council must approve consultant contracts in excess of \$30,000.

PURPOSE

Civic Theatres is seeking approval of 5 items totalling \$4.35 million to be funded from Civic Theatres Capital Reserve with interim financing from the Property Endowment Fund. The funding requested is to:

- i.) build an extension to the Playhouse loading dock;
- ii.) extend the contract of the QET Redevelopment fund raising consultant;
- iii.) pay for consultant design fees related to the redevelopment of the Capitol 6 site and Orpheum stage extension;
- iv.) pay for consultant design fees to advance the Design Development for the QET redevelopment project; and
- v.) complete the design and carry out construction of the acoustic separation of the Playhouse from the QET.

BACKGROUND

In 1992 a comprehensive, year-long consultation and feasibility analysis was carried out to determine all of the work needed to best serve the audiences and users of the Queen Elizabeth Theatre, Vancouver Playhouse and Orpheum, in order to preserve the three venues for the future in the most useful and appropriate ways. Since then approximately \$12 million has been invested in upgrades to the theatres, funded from the Civic Theatres Capital Reserve.

The master plan that was developed has been invaluable over the years as different parts of it have been implemented. As each project has been undertaken, this interfaces with future projects have been prepared and built-in so that nothing has ever had to be undone or done twice.

A team of specialist consultants with demonstrated expertise in designing, building and renovating performing arts facilities was approved by Council to carry out the Master Capital Planning process and implementation. This team has continued to execute the plan at each phase of implementation. Much of the success of the projects completed has been due to their expertise and the continuity of their intimate knowledge of the theatres, the Master Capital Plan and the past projects.

DISCUSSION

A. Vancouver Playhouse Loading Dock

\$60,000

Traffic on Cambie Street from Dunsmuir St. south was re-routed to two-way this past summer. The loading docks for the QET and Vancouver Playhouse are on Cambie St. between Dunsmuir and Georgia. While the QET has an angled loading dock, the Playhouse dock requires trucks to position at 90 degrees to the street. The result is that the trucks would block the 2 south-bound lanes.

In order to get the semi-trailers off Cambie Street for loading and unloading, we need to add an external angled dock extension with an awning. The engineering has been done and the job is ready to tender. The estimated construction cost is \$50,000 with a \$10,000 allowance for soft costs.

B. Orpheum/Capitol 6 Development

\$100,000

This past spring, Council approved a proposal for an amenity bonus in the form of an expansion of the Orpheum stage, a Rehearsal Hall/150-seat Studio theatre and a Music School on the property immediately north of the Orpheum. While the Rehearsal Hall/Studio Theatre and Music School facilities will be fully finished, the Orpheum expansion will only be a concrete box at this stage of completion and will require eventual funding to complete its integration into the Orpheum, structurally, seismically and operationally.

The original Master Plan for the Orpheum provided for making the symphony concert shell demountable and restoring the stage to a flexible staging format. With the development of the Capitol 6 site, we have the opportunity to advance those objectives and enlarge the stage floor area, as well as add the proposed Rehearsal Hall/Studio Theatre. The Vancouver

Symphony Orchestra is the proponent of the Music School. In order to receive the School and Rehearsal Hall as finished spaces, the Orpheum stage extension will be provided as an unfinished concrete box, leaving the existing back wall of the Orpheum to be demised at a later date and the new space finished at that time.

In order to provide the developer's design and consulting team with the best possible architectural program and guidance, we need to engage the specialist consultants. In addition to reviewing the proposed development, we will complete schematic design and engineering analysis of the Orpheum expansion in order to provide the correct design requirements for the concrete shell (e.g. roof loading, electrical conduit, seismic bracing for the original Orpheum etc.).

Queen Elizabeth Theatre Redevelopment

In 2001, Civic Theatres received Council's approval in principle to seek funding for the major redevelopment of the QET auditorium, acoustic separation of the Vancouver Playhouse and QET, and upgrades to the QET Plaza. Since then, Civic Theatres has been working, with staff internally and consultants and volunteers externally, to assemble the resources needed to carry out the proposed QET Redevelopment. In 2001 Council approved a contribution of \$5 million from Civic Theatres' Capital Reserve, funds which are earned from a surcharge on tickets sold for events at the 3 theatres and from parking revenue at the QET Parkade. More recently, Council has approved an additional \$5 million to be included in the 2006-2008 Capital Plan.

Since the planning for this project was begun in earnest a few years ago, construction cost escalation has pushed the estimated project cost to \$35 million.

With the award of the 2010 Olympics to Vancouver, it became clear that these three Civic Theatres would become prime venues for the Olympic/Paralympic Arts Festivals and during the years of the Cultural Olympiad leading up to the Games themselves. This fact simply increases the urgency to have the work accomplished before the eyes of the world focus on Vancouver.

C. QET Redevelopment Fund Raising

\$90,000

Individual and corporate fund raising, under the direction of the Civic Theatres Capital Campaign Committee, chaired by Brandt Louie, and facilitated by Bridge Communications, has succeeded in bringing in nearly \$1 million to date.

However, fund raising has been challenging due to the absence of cultural capital investment by senior levels of government in British Columbia. As the private sector looks to government for leadership in major cultural capital projects, this has made fundraising both more challenging and the campaign lengthier.

The committee is currently concentrating on individual and foundation prospects. While the development of City policy on naming rights may impact the campaign, continued work is necessary to maintain the campaign momentum and focus on senior government, individual and foundation funding.

This request is to extend the contract of the Civic Theatres fund raising consultant, Bridge Communications (est. \$65,000), and to pay for miscellaneous support services and materials such as brochure design and printing, supporting consultants (graphic artists, architects etc.) display materials, volunteer committee support etc. over the next year or more (est. \$25,000).

D. Queen Elizabeth Theatre Redevelopment - Final Design **\$600,000**

Schematic design and feasibility analysis was virtually completed a few years ago. Design Development and Contract documents will take nearly one year to complete for this project. As our construction windows are confined from May to October each year to facilitate the ongoing access to the theatre by our resident companies, and as grant programs usually have finite completion deadlines, it is nearly impossible to start and finish a project as large and complex as this within a grant window. For this reason we propose to advance the final design of Phases 1 & 2 of the project to be in a position to start construction on short notice and to take advantage of the very few summer timeslots available between now and 2010.

The total cost for Design Development and Contract documents for this \$30 million project is estimated at \$1.5 million. Of this, we propose to commit \$600,000 at this time to complete the Design Development.

E. Vancouver Playhouse Acoustic Separation **\$3,450,000**

When the Vancouver Playhouse was built in 1962, it was structurally bonded to the QET along the back wall of the QET stage. It was not an issue in 1962 because rock bands carried their sound systems in the back of a station wagon. By the 1970's, rock bands were travelling in semi-trailers and to-day it may take as many as 3 semi-trailers to carry the equipment and systems. The sound to-day is much, much louder and as a result is borne by the concrete structures of the building from the QET stage into the Playhouse auditorium. Inevitably, there are concurrent events in the two theatres with a play, chamber concert or recital in the Playhouse and the disruption to the quieter event is significant. As a matter of practise, we do not allow a loud show in the QET to start before 9:30 pm in an attempt to leave the quieter Playhouse show undisturbed. This is successful less than half the time, the second half of the Playhouse show is invariably compromised and the later start time is a huge disincentive to promoters wanting to book the QET.

The separation project will literally cut the two buildings apart leaving an insulating air space between them, eliminating sound transfers. In order to seismically brace the Playhouse structure, an elevator will be added in the lobby providing access from the main lobby to the basement reception/rehearsal areas and to the balcony seating and lobby spaces.

Although this project has always been included as part of the larger QET Redevelopment project, it can stand alone and proceed separately from the QET. The total estimated cost for this project is \$3.45 million. Design and engineering is about 80% completed. We propose to complete Design Development and Contract Documentation immediately and go to Tender as soon as possible in order to stage construction for May to October, 2006.

ALTERNATIVES/OPTIONS

Playhouse Loading Dock: the alternative is to allow the trucks to block South-bound traffic on Cambie St.

QET Fundraising: Without professional fund raising expertise, it is unlikely that a capital campaign could be successful and the full cost of reinvestment in the Civic Theatres would fall to the City or, not be completed.

Orpheum/Capitol 6: The developer's consultants could be left to design the Rehearsal Hall/Studio Theatre and Music School with input from City staff, however given the technical complexity of the program; staff do not believe that this would be an effective option. Given the Orpheum stage shell-only arrangement negotiated as part of the bonus amenity proposal, there is no option but to design the complete Orpheum Stage Extension in order to tell the developer how to build the concrete box.

QET Final Design: We could wait until funding is in place to proceed with further design but we risk losing a year of construction while design is completed.

Playhouse Acoustic Separation: We could delay this project indefinitely and just continue to force the users to adapt as they have in the past. However, we have held bookings out of the Playhouse and out of the QET to a large extent, for the summers of 2006, 2007 and 2008. If we do the Playhouse project in 2006, then the Playhouse can continue to operate normally when the QET redevelopment project is initiated. It is critical to the ongoing viability of the residents' companies that we plan for and minimize distributions to their seasonal programming.

FINANCIAL IMPLICATIONS

Following a series of capital projects approved earlier by Council, the Civic Theatres Capital Reserve currently owes the PEF approximately \$2.0 million to repay interim financing. This indebtedness has first call on the annual cash flow to the reserve, currently estimated at \$878,000 annually, and suggesting a payback in less than three years. The next planned increase in the ticket surcharge will be July 2006 and would increase the average annual revenue to approx. \$990,000.

The financing requested in this report will increase this indebtedness to the PEF to approximately \$6.5 million to be repaid from the Civic Theatres Surcharge cash flow at terms acceptable to the Director of Finance in approximately 7 years (2014).

None of the 5 projects will result in increased operating costs. If the Playhouse Acoustic Separation is completed as proposed, it will facilitate increased bookings in both the QET and the Playhouse.

CONCLUSION

The Director of Civic Theatres requests approval of the allocation of \$4.35 million from the Civic Theatres Capital Reserve and approval of appointment of consultants to modify the loading dock of the Vancouver Playhouse, develop and review program requirements for the

Orpheum/Capitol 6 project, continue fund raising for the Queen Elizabeth Theatre Redevelopment, complete Design Development for the QET project and acoustically separate the Vancouver Playhouse from the QET.

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APPENDIX "A"**Civic Theatres Capital Projects Consultant Team**

Proscenium Architecture + Interiors	Architecture and Interior Design
Aercoustics Engineering Ltd	Acoustics
Doug Welch Design Associates Limited	Theatre design
Commonwealth Historic Resource Management	Heritage conservation
Read Jones Christoffersen	Structural Engineering
Schenke/Bawol Engineering Ltd	Electrical Engineering
Keen Engineering Co. Ltd.	Mechanical/HVAC Engineering
James Bush & Associates Ltd.	Cost Consultants
GHL Consultants Ltd.	Code Consultants
Durante Kreuk Ltd.	Landscape Design

A-iii Orpheum/Capitol 6 Project Fee proposals

Proscenium Architecture + Interiors	\$52,000
Aercoustics Engineering Ltd	\$15,000
Doug Welch Design Associates Limited	\$ 5,000
RJC Ltd	\$10,000
Schenke/Bawol Engineering Ltd	\$ 5,000
Keen Engineering Co. Ltd.	\$ 5,000
James Bush & Associates Ltd.	\$ 5,000

A-iv QET Redevelopment

Proscenium Architecture + Interiors	\$222,500
Aercoustics Engineering Ltd	\$ 39,000
Doug Welch Design Associates Limited	\$ 62,000
RJC Ltd	\$ 44,000
Schenke/Bawol Engineering Ltd	\$ 36,000
Keen Engineering Co. Ltd.	\$ 42,000
James Bush & Associates Ltd.	\$ 13,000
Durante Kreuk Ltd.	\$ 14,000
Commonwealth Historic Resource Management	\$ 15,000
GHL Consultants Ltd.	\$ 14,000

A-v Vancouver Playhouse Acoustic Separation

Proscenium Architecture + Interiors	\$130,900
Aercoustics Engineering Ltd	\$ 10,000
RJC Ltd	\$ 45,000
Schenke/Bawol Engineering Ltd	\$ 30,000
Keen Engineering Co. Ltd.	\$ 25,000
James Bush & Associates Ltd.	\$ 5,000