



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: June 25, 2007  
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Meeting Date: July 24, 2007

TO: Vancouver City Council

FROM: Co-Director, Office of Cultural Affairs (Grants Support and Awards)

SUBJECT: 2007/08 Theatre Rental (Operating and Projects) Grants

#### RECOMMENDATION

- A. THAT Council confirm its previous approval in principle of Theatre Rental (Operating) Grants to 12 organizations totalling \$1,208,148 which includes adjustments that reflect reduced actual uses of the Civic Theatres within the first 6 months of 2007 as listed in Table 1; source of funds to be the existing 2007 Theatre Rental Grants budget;
- B. THAT Council approve 12 Theatre Rental (Operating) Grants totalling \$766,700 as listed in Table 2 for use of the Civic Theatres within the last six months of 2007; source of funds to be the existing 2007 Theatre Rental Grants budget and \$93,068 from the unallocated \$1 million increase to the 2007 Cultural Grants budget;
- C. THAT Council approve one Theatre Rental (Projects) Grant of \$2,720; source of funds to be the existing 2007 Theatre Rental Grants budget;
- D. THAT Council approve a grant of \$100,000 to the Vancouver Symphony Society to offset the rent payable under the lease with Civic Theatres for the period of January 1 to December 31, 2007; source of funds to be the existing 2007 Theatre Rental Grants budget; and
- E. THAT Council approve, in principle, 13 Theatre Rental (Operating) Grants totalling \$1,236,250 as listed in Table 2 for use of the Civic Theatres in the first six months of 2008; source of funds to be the 2008 Theatre Rental Grants budget.

## GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of the foregoing.

## COUNCIL POLICY

In 1979 and again in 1983, City Council affirmed the principle that Theatre Rental Grants are available to cultural organizations that use the Civic Theatres annually and have been assigned annual "base level" uses of the Civic Theatres by Council.

Council approved the current process for Theatre Rental Grants in 1995, providing for seasonally based grants allocated in July of each year for the coming "Fall" (the second half of a given year) and "Spring" (the first half of the following year). Recommendations for Spring of the following year are approved in principle, subject to the Operating Budget Review for that year.

Council policy provides for an increase in the annual Theatre Rental Grants budget to accommodate the impact of increases in the Civic Theatre rental rates on rental grants provided after September 1<sup>st</sup>, when new rates take effect.

On September 12, 2000, Council approved the establishment of a "reserve pool" of theatre rental uses to assist established performing arts organizations that do not have designated "base level" uses of the Civic Theatres. Reserve uses may also be applied to additional uses by regular Theatre Rental Grant applicants. The reserve pool gives the City greater flexibility in responding to shifting patterns of use among applicants. Grants from the reserve are subject to available funds, and do not cover rehearsal uses. At present the reserve provides for up to four uses of the Orpheum or Queen Elizabeth Theatre, and up to seven uses of the Vancouver Playhouse Theatre.

Until 2005, occasional users were able to apply to the Baxter Grant program. In Spring of 2005 the Baxter Grant fund, established through the Vancouver Foundation and administered by the City through the Office of Cultural Affairs was wound up and all funds disbursed.

On July 13, 2006, Council approved funding allocations to a number of grant programs including up to \$20,000 to a Theatre Rental Projects Grant program, established to replace the Baxter Grant Program and designed to financially assist occasional, new and diverse non-profit arts and cultural organizations wanting access to Vancouver's Civic Theatres.

Approval of grant recommendations requires eight affirmative votes.

## SUMMARY & PURPOSE

In accordance with the process Council established in 1995, this report recommends: confirmation of Spring 2007 Theatre Rental (Operating) Grants approved in principle on July

18, 2006; Theatre Rental (Operating) Grants for the 2007/2008 season; approval of one Theatre Rental (Projects) Grant, and a grant to the Vancouver Symphony Society for the lease of office space in the Orpheum.

## DISCUSSION

### First 6 months of 2007 Theatre Rental Grants

The Theatre Rental Grants budget for 2007 is \$1,984,500 which includes an allocation of \$20,000 for Theatre Rental (Projects) Grants and the \$100,000 annually designated as a grant to offset the lease of the VSO's office space in the Orpheum.

From this budget, staff recommend that the 12 Theatre Rental (Operating) Grants for the first 6 months of 2007, which were approved in principle by Council last year, be formally approved in the amount of \$1,208,148. This amount takes into consideration decreases in number of uses by Vancouver Bach Choir, Vancouver Chamber Choir, Vancouver Opera and the Vancouver Playhouse Theatre Company (Table 1). Confirmation of these grants will leave an unallocated balance of \$776,352 in the 2007 Theatre Rental Grants budget, the allocation of which is discussed later in this report.

Table 1 - First Six Months of 2007 Theatre Rental (Operating) Grants

Organization	\$ Approved in Principle	\$ Final Recommended
Ballet British Columbia	85,000	85,000
Caravan World Rhythms Society	10,000	10,000
Coastal Jazz and Blues Society	10,000	10,000
Friends of Chamber Music	10,560	10,560
Van. Academy of Music	27,500	27,500
Van. Bach Choir	42,000	41,800
Van. Chamber Choir	17,400	17,000
Van. Dance Centre Society	5,280	5,280
Van. Opera Assn.	260,000	256,400
Van. Playhouse Theatre Co.	288,940	262,520
Van. Recital Society	17,920	17,920
Van. Symphony Society	474,220	464,168
<b>TOTAL</b>	<b>1,248,820</b>	<b>1,208,148</b>

### 2007/2008 Theatre Rental (Operating) Grant Requests & Recommendations

For the 2007/08 season, 16 Theatre Rental (Operating) Grant applications totaling \$1,983,820 and one request of \$2,640 to the Theatre Rental (Projects) Grant program were received, as listed in **Appendix A**. The requests do not reflect the approved theatre rental rate increase (approved by Council on June 12, 2007 RTS 6768) because the applications were made in advance of this decision. The requests reflect a balance of needs among the regular users as well as requests from those without base levels, to access the reserve uses.

While the venue needs of groups generally remain constant from one year to the next, their activity can vary each season. A factor influencing the use, and therefore the Theatre Rental budget has been the renovations to the Playhouse in 2006 as well as the renovations to the Queen Elizabeth Theatre in 2007 and planned again for the summer of 2008. While the renovations are much needed, and are scheduled to minimize impact on the users, there is reduced availability. Many regular users have modified their regular seasons to accommodate the construction and consequently the balance of uses between Spring and Fall does not match the Theatre Rental Grants budget (see Financial Discussion below).

As summarized in **Table 2**, 13 grants totaling \$769,420 are recommended for the last six months of 2007, and 13 grants totaling \$1,236,250 are recommended in principle for the first six months of 2008 with the recommendations including an adjusted Civic Theatre rental increase of 3% for the QET/Orpheum and 3% for the Playhouse, as approved by Council on June 12, 2007 (RTS 6768).

Details on each application are provided in **Appendix B** which consists of the front pages of the applications, and **Appendix C** which includes staff comments and recommendations.

**Table 2 - Recommended: Original and New Rates**

		\$ Fall 07	\$ Spring 08	\$ Total	Uses	Base
Theatre Rental-Operating						
Ballet BC	orig. rate	52,500	95,000	147,500	18	14
	incr. rate	54,075	97,850	151,925		
Children's Arts Umbrella	orig. rate	0	5,280	5,280	2*	
	incr. rate	0	5,440	5,440		
Coastal Jazz and Blues Soc.	orig. rate	0	20,000	20,000	2	2
	incr. rate	0	20,600	20,600		
Dancing on the Edge	orig. rate	5,280	0	5,280	2*	
	incr. rate	5,280	0	5,280		
Friends of Chamber Music	orig. rate	7,920	10,560	18,480	7	7
	incr. rate	8,160	10,880	19,040		
Turning Point Ensemble	orig. rate	0	2,640	2,640	1*	
	incr. rate	0	2,720	2,720		
Van. Academy of Music	orig. rate	10,000	27,500	37,500	4	4
	incr. rate	10,300	28,325	38,625		
Van. Bach Choir	orig. rate	35,000	32,200	67,200	10	11
	incr. rate	36,050	33,155	69,205		
Van. Chamber Choir	orig. rate	17,400	17,400	34,800	6	6
	incr. rate	17,910	17,910	35,820		
Van. Opera	orig. rate	80,000	260,000	340,000	46	46
	incr. rate	82,400	267,800	350,200		
Van. Playhouse	orig. rate	187,320	258,160	445,480	205	230

	incr. rate	193,010	266,030	459,040		
Van. Recital Society	orig. rate	12,780	7,920	20,700		
	incr. rate	13,165	8,160	21,325	6	9
Van. Summer Festival	orig. rate	20,000	0	20,000		
	incr. rate	20,000	0	20,000	2*	
Van. Symphony Orchestra	orig. rate	314,920	460,920	775,840		
	incr. rate	324,310	474,660	798,970	110	100
Van. Tap Dance Society	orig. rate	1,980	0	1,980		
	incr. rate	2,040	0	2,040	1*	
Van. Youth Symphony Orchestra	orig. rate	0	2,640	2,640		
	incr. rate	0	2,720	2,720	1	1
Reserve Uses Available						11
<b>TOTAL</b>	orig. rate	<b>745,100</b>	<b>1,200,220</b>	<b>1,945,320</b>		
	incr. rate	<b>766,700</b>	<b>1,236,250</b>	<b>2,002,950</b>	<b>423</b>	<b>441</b>
Theatre Rental - Project						
Flamenco Rosario	orig. rate	2,640	0	2,640		
	incr. rate	2,720	0	2,720	1	
<b>GRAND TOTAL</b>	orig. rate	<b>747,740</b>	<b>1,200,220</b>	<b>1,947,960</b>		
	incr. rate	<b>769,420</b>	<b>1,236,250</b>	<b>2,005,670</b>	<b>424</b>	<b>441</b>

\* Covered by Reserve uses

### *Vancouver Symphony Society Lease*

On October 24, 1989, Council approved the lease of the Orpheum basement to the VSO for offices. The annual rent was set at \$100,000, to be offset by a City grant in the same amount. The lease has been renewed annually, subject to approval of the grant from the City. Staff recommend that this lease be renewed at the rental rate of \$100,000 for the period of January 1 to December 31, 2007 inclusive, and that a grant be recommended to cover the lease cost; the source of funds to be the Theatre Rental Grants category of the 2007 Cultural Grants budget.

### FINANCIAL IMPLICATIONS

Council policy provides for an increase in the annual Theatre Rental Grants budget to cover the impact of increases in the Civic Theatre rental rates on grants for the last six months of a given year.

The approved 2007 Theatre Rental Grants budget is \$1,984,500, and following Council confirmation of the first six months of 2007 Theatre Rental (Operating) Grants (\$1,208,148), and approval of the lease-related grant to the VSO (\$100,000), the balance in the 2007 Theatre Rental Grants budget will be \$676,352.

For Fall 2007, the total recommended uses at the approved 2007/08 rental rates increase on the rental grants is \$769,420. This leaves a budgetary shortfall of \$93,068 in the 2007 Theatre Rental Grants budget. This shortfall is a result of the imbalance of activities between Spring and Fall seasons as a result of the Civic Theatres' renovations and the shift of uses to accommodate the construction schedule.

To address this shortfall, staff are recommending that the 2007 Theatre Rental Grants budget be increased by a one-time only reallocation of funds from the unallocated \$1,000,000 increase to the 2007 Cultural Budget (Table 3) in advance of the global allocation recommendation which will come before Council in the Fall in the context of the Creative City Task Force strategic plan and the grants program review which is currently underway.

Table 3 - Summary of Financial Implications

	<b>2007 \$ Amounts</b>
Theatre Rental Grants budget	1,984,500
Theatre Rental (Operating) Grants - 1st 6 months	(1,208,148)
Lease-Related Grant for VSO	(100,000)
Theatre Rental (Operating & Project) Grants - last 6 months	(769,420)
<b>BUDGETARY SHORTFALL BEFORE REALLOCATION</b>	<b>(93,068)</b>
Reallocation from \$1 M increase to 2007 Cultural Budget	93,068
<b>REMAINING THEATRE RENTAL GRANTS BUDGET</b>	<b>0</b>

## CONCLUSION

This is one of two reports dealing with Theatre Rental (Operating and Project) Grants for the 2007/08 season. Recommendation E, which relates to the Spring 2008 grants, will be reported to Council after the cultural grant review is completed, and the 2008 Theatre Rental Grants budget approved.

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Theatre Rental Grant Requests  
Fall 2007/Spring 2008

Organization (Theatre Rental - Operating)	\$ Fall 07	\$ Spring 08	\$ Total	Uses Requested	Base Level
Ballet B.C.	67,000	109,000	176,000	25	14
Children's Arts Umbrella	0	5,280	5,280	2	
Coastal Jazz and Blues Society	0	20,000	20,000	2	2
Dancing on the Edge	5,280	0	5,280	2	
Friends of Chamber Music	7,920	10,560	18,480	7	7
Turning Point Ensemble	0	2,640	2,640	1	
Van. Academy of Music	10,000	27,500	37,500	4	4
Van. Bach Choir	35,000	32,200	67,200	10	11
Van. Chamber Choir	17,400	17,400	34,800	6	6
Van. Opera Association	80,000	260,000	340,000	46	46
Van. Playhouse Theatre Co.	187,320	258,160	445,480	205	230
Van. Recital Society	12,780	7,920	20,700	6	9
Van. Summer Festival Society	20,000	0	20,000	2	
Van. Symphony Society	314,920	470,920	785,840	111	100
Van. Tap Dance Society	1,980	0	1,980	1	
Van. Youth Symphony Orchestra	0	2,640	2,640	1	1
<b>TOTAL</b>	<b>759,600</b>	<b>1,224,220</b>	<b>1,983,820</b>	<b>431</b>	<b>430</b>
<b>Organization (Theatre Rental - Project)</b>					
Flamenco Rosario	2,640	0	2,640	1	

**Ballet BC**

A grant of \$151,925 is recommended to support 13 performances and 5 rehearsal uses at the Queen Elizabeth Theatre. This recommendation exceeds their base level to support the company's increased performance activity in recent years.

**Children's Arts Umbrella**

A grant of \$5,440 from the Reserve uses is recommended to support 2 uses at the Vancouver Playhouse for the Arts Umbrella Dance Company's Season Finale in May, 2008.

**Coastal Jazz and Blues**

A grant of \$20,600 is recommended to support 2 uses at the Orpheum during the 23rd annual Vancouver International Jazz Festival in 2008.

**Dancing on the Edge Festival**

A grant of \$5,280 from the Reserve uses is recommended for 2 performances at the Vancouver Playhouse. The request is for the current year, since the Festival takes place in the summer and planning timelines are relatively short. A request for a rehearsal use is not recommended because this does not apply to reserve uses.

**Flamenco Rosario**

A grant of \$2,720 from the Theatre Rental (Projects) Grant program is recommended for 1 performance at the Vancouver Playhouse in September, 2007.

**Friends of Chamber Music**

A grant of \$19,040 is recommended to support 3 Vancouver Playhouse performances in the Fall and 4 in the Spring, equal to its base level uses.

**Turning Point Ensemble**

A grant of \$2,720 from the Reserve uses is recommended to support 1 performance at the Vancouver Playhouse in February, 2008.

**Vancouver Academy of Music**

A grant of \$38,625 is recommended to support 1 use in the Fall and 3 in the Spring at the Orpheum, equal to its base level uses.

**Vancouver Bach Choir**

A grant of \$69,205 is recommended to support 5 uses of the Orpheum in the Fall and 5 in the Spring, within its base level uses.

**Vancouver Chamber Choir**

A grant of \$35,820 is recommended to support 2 performances and 4 rehearsals at the Orpheum, within its base level uses.

**Vancouver Opera**

A grant of \$350,200 is recommended to support 22 performances and 24 rehearsals at the Queen Elizabeth Theatre, within its base level uses.



**Vancouver Playhouse**

A grant of \$459,040 is recommended to support 205 performance and rehearsal uses which includes 2 holdover weeks in the Spring. While within the company's base level, it represents a slight increase in rehearsal uses.

**Vancouver Recital Society**

A grant of \$21,325 is recommended to support 1 performance at the Orpheum and 5 at the Vancouver Playhouse, within its base level uses.

**Vancouver Summer Festival**

A grant of \$20,000 from the Reserve uses is recommended to support 2 performances at the Orpheum. The request is for the current year, since the Festival takes place in the summer and planning timelines are relatively short. A request for a rehearsal use is not recommended because this does not apply to reserve uses.

**Vancouver Symphony Orchestra**

A grant of \$798,970 is recommended to support 76 performances at the QET, 8 at the Playhouse and 26 technical uses at the Orpheum Theatre. This represents an increase in their rehearsal uses and base level to accommodate video taping used to enhance some of their performances. Staff also recommend approval of \$100,000 for office rental costs.

**Vancouver Tap Dance Society**

A grant of \$2,040 from the Reserve uses is recommended to support 1 matinee performance at the Vancouver Playhouse during the Vancouver International Tap Dance Festival in September, 2007.

**Vancouver Youth Symphony Orchestra**

A grant of \$2,720 from the Reserve uses is recommended to support 1 performance at the Vancouver Playhouse in March, 2008.