



# A11

## ADMINISTRATIVE REPORT

Report Date: November 13, 2008  
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VanRIMS No.: 08-2000-20  
Meeting Date: November 25, 2008

TO: Vancouver City Council  
FROM: Director of Grants, Support and Awards Programs, Cultural Services  
SUBJECT: Theatre Rental - Grant to Ballet British Columbia

### *RECOMMENDATION*

THAT Council approve a one-time Theatre Rental Grant of \$63,400 to Ballet British Columbia to offset rental costs for the presentation of the Nutcracker Ballet at the Queen Elizabeth Theatre December 2008. Source of funds to be \$41,763 from the 2008 Cultural Services Grants Budget and \$21,637 from the Contingency Reserve.

### *GENERAL MANAGER'S COMMENTS*

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

### *COUNCIL POLICY*

Approval of grant recommendations requires eight affirmative votes.

### *PURPOSE*

This report recommends the allocation of a one-time Theatre Rental Grant to Ballet British Columbia.

### *BACKGROUND*

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 theatres. 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 the 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 the 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. On July 13, 2006, Council approved the Theatre Rental Grants Projects program to assist occasional and new users, and groups from diverse communities to access the Civic Theatres. This replaced the previous Baxter Grant program, established through the Vancouver Foundation and delivered by the City, which had wound up operations at that time.

In February 1987, Council approved that appeals by individual organizations could be considered but only once Council had approved the annual grants and when additional funds were required to prevent unforeseen circumstances affecting staff layoffs or the survival of the organization.

## **BALLET BRITISH COLUMBIA**

Ballet British Columbia (BBC) was established in 1986 and has been led by Artistic Director John Alleyne for the past 16 years. This is a contemporary Ballet company of 18 professional soloist-calibre dancers. BBC commissions, creates and remounts ballets and presents a 5-program series annually that includes three BBC productions and two other presentations featuring national or international companies of artistic excellence, with a Nutcracker production presented during the December holiday season. It has received assistance from the City through Theatre Rental Grants since the time of its inception and received its first Operating grant in 1987.

BBC currently receives support from the City of Vancouver through an annual Theatre Rental Grant (\$151,800 for 08/09) to offset theatre rental costs of the Queen Elizabeth Theatre and as well as a cash Operating Grant (\$103,000) to assist with operational and artistic costs.

The City has recognized the growth in activity with the BBC over the past few years and has been able to increase the amount of uses allocated to the BBC for the Civic Theatres. The City was able to provide 4 additional uses to their base level for 08/09. However, due to a budget shortfall in Theatre Rental Grants for fall of 2008 (for reasons including rental rate increase - see RTS 7282) Council was unable to approve all of their additional requests.

## ***DISCUSSION***

Members of the board and staff of the society have recently approached the City with an emergency request for assistance to alleviate extreme financial pressure on the company due to a number of factors related to poor box office revenues. Like some non-profit organizations, BBC carries a significant accumulated deficit (\$810,299 in 2007) which, when combined with their projected loss in current season ticket revenues (projected at a further loss of \$229,850), has caused a cash flow crisis preventing them from moving forward.

For the past several weeks, BBC staff and board have undertaken a number of short-term measures toward developing a long-term strategy to address the significant operating deficit and cash flow problems that are threatening their continued operations. This request is part of that plan.

In the past the Theatre Rental Program has not considered the presentation of visiting ballet companies to be eligible for support for BBC's Theatre Rental Grant request, instead focusing City resources in support of BBC's own productions. However, due to the financial difficulties demonstrated by the Society, staff are recommending to Council a one-time grant to offset theatre rental costs for the Nutcracker, performed by the Moscow Classical Ballet, scheduled for this holiday season (Dec. 27 - 31). This would ensure a continued presence in the community and offer some much needed relief in costs which could secure some time for the company to restructure their finances and operations and focus efforts on a long-term recovery plan.

#### *FINANCIAL IMPLICATIONS*

The 2008 Theatre Rental Grants budget has been fully allocated. However, staff are recommending that the proposed grant of \$63,400 be funded from the remaining unallocated portion of the 2008 Cultural Services Grants Budget (\$41,763) and \$21,637 from the Contingency Reserve.

#### *CONCLUSION*

In recommending a one-time Theatre Rental Grant to the BBC, the impacts on the broader community have been considered. The BBC plays a key role in employing several artists from the community including dancers, designers and technical crew. They regularly work with other artistic members of the community including Arts Umbrella, the Vancouver Symphony Orchestra and the Vancouver Opera. They also offer a mentor program to train and inspire a younger generation of dancers, a 3-week dance intensive program and a Professional Apprenticeship.

This additional City support provides financial relief during a time of financial difficulty and support for the volunteer Board of Directors as they work to restructure and renew this important cultural institution.

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