



ADMINISTRATIVE REPORT

Report Date: July 7, 2009
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RTS No.: 08150
VanRIMS No.: 08-2000-20
Meeting Date: Sept. 8, 2009

TO: Vancouver City Council
FROM: Director, Cultural Services - Grants, Awards and Support Programs
SUBJECT: 2009 Theatre Rental Grants Allocations

RECOMMENDATION

- A. THAT Council approve a transfer of the balance of \$188,500 from the New Cultural Grants Program budget and \$35,500 from the unallocated Cultural Program budget to the Theatre Rental Grants Operating budget on an ongoing basis.
- B. THAT Council approve a permanent transfer of the remaining balance of \$390 from Theatre Rental Grants Project budget to the Theatre Rental Grants Operating budget.
- C. 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, 2009; source of funds to be the 2009 Theatre Rental Grants Operating budget.
- D. THAT Council confirm its previous approval in principle of Theatre Rental Operating Grants to 15 organizations totalling \$1,326,143 which includes adjustments that reflect changes in the actual uses of the Civic Theatres within the first 6 months of 2009 as listed in Table 1; source of funds to be the 2009 Theatre Rental Grants Operating budget.
- E. THAT Council approve 11 Theatre Rental Grants totalling \$878,047 as listed in Table 2 for use of the Civic Theatres within the last six months of 2009; source of funds to be the existing 2009 Theatre Rental Grants Operating budget.

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.

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 each year, when new rates take effect.

PURPOSE

The purpose of this report is to recommend Theatre Rental Grant allocations for 2009 as well as to recommend a transfer of funds from the unallocated new Cultural Grants Program budget and the Project grants budget to the Theatre Rental Grants budget.

BACKGROUND

In 1979, City Council approved the Theatre Rental Grants program which assigned annual "base level" uses to cultural organizations to access to the Civic Theatres annually. In 1995, Council approved the process for Theatre Rental Grants which provides 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.

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. Grants from the reserve are subject to available funds, and do not cover rehearsal uses.

On July 13, 2006, Council approved a budget of \$20,000 to establish a Theatre Rental "Projects" Grant program, to replace the Baxter Grant Program and designed to assist occasional, new and diverse non-profit arts and cultural organizations wanting access to Vancouver's Civic Theatres. The Baxter Grant Fund was established through the Vancouver Foundation and administered by the City through Cultural Services and was wound up with all funds disbursed in 2005 as intended.

On June 26, 2008, Council approved the Culture Plan Implementation Phase 1 - Review of Grants Programs, which directed staff to streamline programs and administration to align with the City's new strategic cultural priorities and to increase efficiencies in program administration. Upon further consultation with, and support from, the groups who access the Theatre Rentals Grants program, a number of changes are being made to the program over the next 2 years. These changes include: shifting from a seasonal allocation (last 6 months of

the current year/first 6 months of the next year) to a calendar year allocation; eliminating the 'base use' level and reserve pool allocation to an annual 'lump sum' award based on past use trends and proposed use needs; increasing the Project budget to provide access to occasional and new users as well as access to regular users for unforeseen increased activity in a given year; and introducing a multi-year allocation. These changes will decrease administration for both the organizations funded through the program and staff who administer it.

The June 2009 deadline marked the first phase of the changes whereby the recommendation of grants will be made only for 2009 when in the past they would be made for the last 6 months of the current year and the first 6 months of the next year, and would be approved in principle in advance of the next fiscal year civic budget being approved. Applicants will be asked to make an application again in November, to request uses for the 2010 and 2011 calendar years. This will introduce the planned multi-year funding to this Program. Further, at the November deadline, the Theatre rental applicants will be included in the annual Operating and Project Grants assessment – making the assessment more inclusive of all cultural groups the City currently funds. Staff will report on the complete changes to the Cultural Grants Program to Council later in 2009.

DISCUSSION

On June 26, 2008, council approved an increase of \$575,000 annually to support the expanded mandate of a new Cultural Grants program to be phased over two years (RTS #7236). Of that amount, \$311,500 was already approved by Council for allocation to Operating and Project organizations to respond to the expanded mandate and criteria and program growth (RTS #7860, April 21, 2009). A further \$75,000 was approved for allocation by Council to Celebration Grant organizations (RTS #7861, May 21, 2009). The remaining balance of \$188,500 was put into a New Cultural Grants Program fund. In addition, there are unallocated resources of \$35,500 in the Cultural Program budget. Staff recommend that the combined total of \$224,000 be transferred to the Theatre Rental Grants Operating budget on an annual basis to support changes to the Theatre Rental Grants program and respond to increase in rates and activity (**Recommendation A**).

The Theatre Rental Grants Project budget for 2009 was \$20,800. A returned Celebration grant of \$1,500 was credited to the Theatre Rental Grants Project budget, resulting in an available balance of \$22,300. During the year, four organizations were approved for support through this program (National Congress of Black Women, Caravan World Rhythms, Vancouver Cantonese Opera and Dancing on the Edge Festival) for a combined total of \$21,910, subsequently leaving an available balance of \$390 (refer to RTS #7544). Staff are recommending that the remaining available balance of \$390 be re-allocated to the Operating budget (**Recommendation B**).

Vancouver Symphony Orchestra 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 are recommending that this lease be renewed at the rental rate of \$100,000 for the period of January 1 to December 31, 2009 inclusive, and that a grant be recommended to cover the

lease cost; the source of funds to be the 2009 Theatre Rental Grants budget (Recommendation C).

Recommendation for confirmation of the first 6 months of 2009

As with the previous process, Council needs to formally approve the Theatre Rental Operating Grants for the first 6 months of 2009, which were approved only in principle last year (RTS #7282 July 22/08, \$1,367,750). The final recommendation for approval usually varies from the initial approval in principal due to changes in performances with some of the groups. Therefore, staff recommend that Council confirm approval of the final amount of \$1,326,143 for 15 organizations for the first 6 months of 2009 as reported in Table 1, Recommendation D.

Table 1 - Confirmation of Final Recommendations for the First Six Months of 2009

Organization	\$ Approved in Principle	\$ Final Recommended
Ballet British Columbia	\$101,200	\$101,200
Children's Arts Umbrella	\$5,630	\$5,630
Coastal Jazz and Blues Society	\$21,300	\$21,300
DanceHouse (Seismic Shift)	\$5,630	\$5,630
Early Music Vancouver	\$10,650	\$10,650
Flamenco Rosario	\$2,815	\$2,815
Friends of Chamber Music	\$5,630	\$5,630
Turning Point Ensemble	\$5,630	\$5,630
Van. Academy of Music	\$29,300	\$29,300
Van. Bach Choir	\$34,713	\$34,075
Van. Chamber Choir	\$18,313	\$17,887.50
Van. Opera Assn.	\$286,540	\$279,927.50
Van. Playhouse Theatre Co.	\$314,515	\$281,445
Van. Recital Society	\$19,095	\$19,095
Van. Symphony Society	\$506,790	\$505,927.50
TOTAL	\$1,367,750	\$1,326,143

Recommendation for the last 6 months of 2009

For the June 1st, 2009 deadline, staff received 11 applications for grants to assist groups for the balance of 2009. Applicants will apply again in November to request assistance for fiscal 2010 and 2011. This will align the groups to a calendar year which will increase the efficiency in allocating the awards and will further include the groups in the overall annual assessment process for the Cultural Grants program. As per Table 2, staff recommend that Council approve 11 grants for a total of \$878,047 for the last 6 months of 2009, Recommendation E.

Table 2 - Recommendations for the First and Last 6 months of 2009 and Total

Organization	Final Rec. first 6 months	Rec. last 6 months	Total Rec. for 2009
Ballet British Columbia	\$101,200	7,435	\$108,635
Children's Arts Umbrella	\$5,630		\$5,630
Coastal Jazz and Blues Society	\$21,300		\$21,300
DanceHouse (Seismic Shift)	\$5,630	5,860	\$11,490
Early Music Vancouver	\$10,650		\$10,650
Flamenco Rosario	\$2,815		\$2,815
Friends of Chamber Music	\$5,630	10,990	\$16,620
Turning Point Ensemble	\$5,630		\$5,630
Van. Academy of Music	\$29,300	11,100	\$40,400
Van. Bach Choir	\$34,075	24,620	\$58,695
Van. Chamber Choir	\$17,887.50	19,070	\$36,958
Van. Cantata Singers		16,650	\$16,650
Van. Opera Assn.	279,927.50	107,650	\$387,578
Van. Playhouse Theatre Co.	\$281,445	224,750	\$506,195
Van. Recital Society	\$19,095	19,890	\$38,985
Van. Symphony Society	\$505,927.50	430,032	\$935,960
Total	\$1,326,143	\$878,047	\$2,204,190

Changes in activity

The Queen Elizabeth Theatre is closed for renewal construction from May 13 - November 14, 2009, and the Orpheum and Vancouver Playhouse are closed for construction from July 1 - September 24, 2009. As such, some groups who would regularly use the venues but are unable to secure a date due to the construction, have booked elsewhere or are re-scheduling their events when the theatres re-open. As such, demand for the civic theatres will be high in the spring of 2010.

The Vancouver Symphony Orchestra has experienced a significant increase in uses of the civic theatres over the past few years. These uses include extra time needed to allow for video taping of the orchestra to project on video screens during performances, increase in rehearsal time needed for additional performances and a general increase in additional stage hours to support the increased programming. In this report, staff are recommending an increase to their Theatre Rental Grant to accommodate these increases.

Ballet BC's request this fall is substantially lower than usual due to the organization experiencing a period of restructuring and transition. An interim Artistic Director has been hired for one year and the Ballet plans for a greater amount of activity in 2010.

New groups are accessing the civic theatres on a more regular basis. Recent applicants to the program include DanceHouse and Turning Point ensemble.

There are a number of groups who would normally apply to the program at this time, but due to the changes to the program (from a seasonal request to a calendar year), would not have applied if they did not have activity scheduled in the civic theatres in the fall of 2009. These groups will apply to the November, 2009 deadline for their activity in 2010.

Overall, the requests for Theatres Rental Grants has grown tremendously in the past couple of years due to increased activity with existing users, new groups accessing the civic theatres and the annual rental rate increases.

FINANCIAL IMPLICATIONS

Table 3 - 2009 Theatre Rental Grants Budget

Theatre Rental - Operating	\$1,939,800
VSO off-set for office space in Orpheum	\$100,000
Approved increase to off-set rental rate increase of 4% RTS #7934 from contingency	\$40,000
Transfer from New Cultural Grants Program budget to Operating	\$188,500
Transfer from Unallocated Cultural Program budget to Operating	\$35,500
Transfer of balance of Theatre Rental Grants Projects budget to Theatre Rental Grants Operating budget	\$390
Sub-total	\$2,304,190
Less recommended confirmed final TRG uses for first 6 months of 2009	(\$1,326,143)
Less VSO off-set for office space in Orpheum	(\$100,000)
Less recommended uses for last 6 months of 2009	(\$878,047)
Balance	0

The 2009 Theatre Rental Grants Operating budget is \$2,304,190 as per the Table 3. This includes the provision for the Vancouver Symphony Orchestra's office rent of \$100,000 annually, the \$40,000 increase in the budget approved by Council earlier this year to off-set the rental rate increase of 4% (for the last half of 2009 and the first half of 2010), and the current request of transfers of funds from the new Cultural Grants Program budget, the unallocated Cultural Program budget and balance of the Project Grants budget respectively, \$188,500, \$35,500 and \$390.

Approval of recommendations C (\$1,326,143 to approve confirmed uses for the 1st half of 2009), D (\$100,000 grant to the VSO for office rent), and E (\$878,047 to approve uses for the last half of 2009) leaves no balance in the 2009 Theatre Rental Grants budget.

CONCLUSION

Approval of the re-allocation of funds from the new Cultural Grants Program budget, from the remaining unallocated portion of the Cultural Program budget and from the Project Grants budget to the Theatre Rental Grants budget, and approval of the grant recommendations will greatly assist several organizations using the Vancouver Civic Theatres in presenting their work to a wide public audience. Further, the changes to the Theatre Rental Grants Program will significantly improve efficiencies for both the applicants and staff.

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