



ADMINISTRATIVE REPORT

Report Date: December 1, 2011
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Meeting Date: December 13, 2011

TO: Vancouver City Council
FROM: Managing Director of Cultural Services
SUBJECT: Vancouver East Cultural Centre Phase II Redevelopment Challenge Grant

RECOMMENDATION *

THAT Council approve a “challenge” grant in the amount of \$1 million to the Vancouver East Cultural Centre (VECC) for their Phase II site redevelopment of the City owned property at 1885-1895 Venables Street as outlined in this report; subject to the Society securing the balance of funds necessary to complete the project to the satisfaction of the Managing Director of Cultural Services and Director of Facilities Design & Management; source of funds to be the 2009 and 2010 Capital Budgets for Cultural Infrastructure.

REPORT SUMMARY *

This report seeks Council’s approval of a \$1 million challenge grant towards the final redevelopment phase of the VECC. This grant was approved “in principle” by Council in 2005, and if approved today would formally allocate the final civic contribution to the full and complete redevelopment of this important cultural facility.

Approval of a grant requires eight affirmative votes of Council.

COUNCIL AUTHORITY/PREVIOUS DECISIONS *

2005 - RTS 4826 - *Capital Allocation to the City Owned Cultural Facility: Vancouver East Cultural Centre* outlined support for the VECC redevelopment, approval of the first challenge grant of \$750,000, support for further capital grants of \$750,000 and \$1 million, and modification of lease terms with the VECC.

2007 - RTS 6629 - *Vancouver East Cultural Centre Capital Allocations* outlined approval of the first of the two "approval in principle" grants from 2005 of \$750,000, and further modification of lease terms with the VECC.

2008 - RTS 7315 - *2008 - 2013 Cultural Facilities Priorities Plan* outlined strategies and tactics for the first five year implementation of a cultural spaces master plan designed to enable the sustainable creation and operation of cultural facilities in Vancouver.

2008 - RTS 7313 - *2008 - 2018 Culture Plan* outlined high level direction for cultural policy in Vancouver.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS *

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

REPORT:

Background/Context *

The Vancouver East Cultural Centre (VECC or the "Clutch") is one of Vancouver's treasured cultural institutions—an important performing arts facility which is comprised of the Historic Theatre, a new (2009) Vancity Culture Lab and the "Green House," an older building on site which has been used for cultural rehearsal and non profit cultural office space. In 2009 the VECC completed the first phase of redevelopment of this City owned parcel. The VECC as lease-holder, led a \$9 million capital campaign that financed the complete renovation of the Historic Theatre, creation of the new Culture Lab and creation of new office/meeting/audience lobby and theatre back of house spaces. City support for the project was provided through two \$750,000 challenge grants totalling \$1.5 million (the first approved by Council in 2005; the second approved in 2007). At the time of the initial approval in 2005, Council indicated support "in principle" for a further \$1 million contribution to future phases of redevelopment.

While city-owned, the VECC has led all of the redevelopment efforts at the VECC site including raising significant funds from the public and private sector. The City grants have aided in this regard, providing initial support from which the VECC has leveraged the additional funding.

The VECC is now in the planning stages for the final phase of redevelopment, which will see the Green House replaced by a small two story building containing two rehearsal halls and support spaces for the overall facility. It is a modest building that is intended to add "creation/production" spaces for performers to create and rehearse works prior to presentation in the performance spaces. The existing Green House is a residential building that over the years was adapted to support non profit cultural spaces. Its limited functionality and advanced state of deterioration requires that it be replaced within the next few years.

The VECC has completed an architectural feasibility study for the Green House replacement with Henriquez Partners Architects. Initial costing suggests a project of approximately \$2.5 million; targeted timeframe for construction is 2013. The project will not begin until complete funding is in place and designs, costing and proposed delivery

have been reviewed and approved by the City's Managing Director Cultural Services and Director of Facilities & Design Management.

*Strategic Analysis **

The VECC redevelopment project is a strategic and important effort to redevelop existing cultural spaces in Vancouver through a multi-partner investment. It relates to the goals and strategies outlined in the 2008 Cultural Facilities Plan in particular through improvements to existing performance spaces with enhancements to key multi-function facilities and development of co-location facilities that integrate multiple functions in one location. In the case of the VECC, the Society has successfully completed the redevelopment of the first phase including raising significant funds for that work. These funds have been invested in City property, thereby reducing the burden on the City, and have delivered significant cultural spaces for the City. The proposed final phase project will further deliver key needed spaces with the assistance of partner investments. It will also address a serious issue with the "Green House" which in its increasing derelict condition much be removed in the next few years.

Implications/Related Issues/Risk (if applicable)

*Financial **

The source of funds for the \$1 million "challenge grant" is the unallocated funding in the 2009 and 2010 Capital Budgets for Cultural Infrastructure, where \$1million in funding was referenced in error to the York Theatre (separate project) and is now being correctly aligned with the final phase redevelopment of the VECC. Approval of the "challenge grant" is subject to the Society securing the balance of funds necessary to complete the project to the satisfaction of the Managing Director of Cultural Services and Director of Facilities Design & Management (FD&M); hence, no funds will be released until such time as sufficient funding is in place for the project and the City's departments of Cultural Services and Facilities Design & Management approve the project.

Environmental

The existing "Green House" is increasingly becoming a risk for the VECC and the City; replacement of the building will remove that risk and replace it with highly functional contemporary building.

*CONCLUSION **

Council approval of a \$1 million challenge grant towards the final redevelopment phase of the VECC will result in the complete redevelopment of this important cultural facility and provision of new creation/production facilities for the cultural community. It will also mitigate the deterioration of the existing "Green House," enable leveraging of additional public and private funding for investment in the site and allow the VECC to move forward on planning and preparation for construction in 2013.

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