



POLICY REPORT  
DEVELOPMENT AND BUILDING

Report Date: June 10, 2015  
Contact: Jane Pickering  
/Richard Newirth  
Contact No.: 604.873.7456  
RTS No.: 10951  
VanRIMS No.: 08-2000-20  
Meeting Date: June 23, 2015

TO: Vancouver City Council

FROM: General Manager of Planning and Development Services in Consultation  
with the Managing Director of Cultural Services

SUBJECT: 162 West 1st Avenue - Theatre Centre - Sign By-law Amendment and  
Naming Rights

**RECOMMENDATION**

A. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Sign By-law to allow signage consisting of one canopy sign containing third party advertising and two facia signs containing third party advertising at 162 West 1st Avenue and that the application be referred to Public Hearing together with:

- (i) Draft Sign By-law amendments, generally as contained in Appendix A;  
and
- (ii) The recommendation of the General Manager of Planning and Development Services to approve the application;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary by-law, generally in accordance with Appendix A, for consideration at Public Hearing.

- B. THAT, subject to enactment of the by-law to amend the Sign By-law and subject to satisfaction of the conditions in Appendix B, Council approve the Naming Rights Proposal for the theatre centre.
- C. THAT, subject to approval of Recommendations A and B, prior to enactment of the by-law to amend the Sign By-law, the Director of Legal Services be authorized to execute an approval agreement (as required in Appendix B) on behalf of the City.

- D. THAT, Recommendations A to C be adopted on the condition that the passage of the above resolutions creates no legal rights for the applicant or any other person, or obligation on the part of the City and any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost.

### ***REPORT SUMMARY***

This report seeks Council approval for amendments to the Sign By-law and approval of a naming rights proposal for the new City-owned theatre centre at 162 West 1st Avenue. The centre, secured through a community amenity contribution, has been leased for 60 years to the Bard on the Beach Theatre Society ("Bard") and Arts Club of Vancouver Theatre Society ("Arts Club"). The City has committed \$7 million towards fitting out the shell space and to assist with leveraging additional funding from other levels of government and the private sector. Pursuant to the City's Naming Rights Policy Bard and Arts Club have requested City approval to name the centre after a significant corporate donor, BMO Financial Group (BMO), and to include the name of the donor on the three exterior signs. The Naming Rights Policy requires that before a naming rights proposal is considered, the signage must be approved. Amendments to the Sign By-law are required to allow the proposed signs: an illuminated canopy sign at the front of the centre and two fascia signs in the recessed entrance to the centre.

### ***COUNCIL AUTHORITY/PREVIOUS DECISIONS***

November 2006, Council approved the Naming Rights Policy for Civic Community Facilities (RTS 5428), which requires Council approval for the naming of a civic community facility.

October 2013, Council received Culture Plan: Strategic Directions - the Next Five Years, in which a key strategy is to encourage partnerships to retain and develop affordable and sustainable cultural spaces.

November 2013, Council approved (RTS 10258):

- Bard and Arts Club as not-for-profit tenants of the City-owned air space parcel at 162 West 1st Avenue;
- the execution of a 60 year lease with Bard and the Arts Club; and
- \$7 million in capital funding for tenant improvements.

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

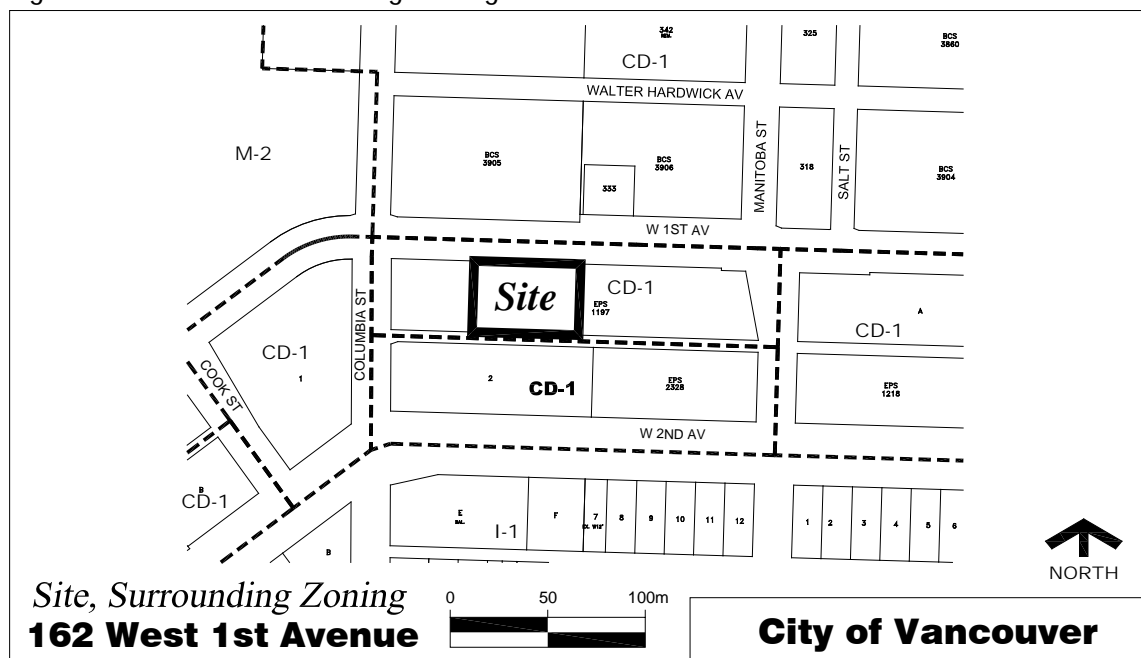
The General Manager of Planning and Development Services RECOMMENDS approval of the foregoing.

**REPORT**

**Background/Context**

The new theatre centre is located at 162 West 1st Avenue, between Columbia and Manitoba Streets, in the Village on False Creek (see Figure 1). It is owned by the City and leased for nominal rent to the Bard and Arts Club for 60 years. The centre is approximately 48,000 square feet and occupies the first two floors of a mixed use development containing over 550 residential units in four towers. When completed, it will include a flexible 250-seat theatre with modern sound and lighting, space for costume production, prop storage and offices and four rehearsal halls. The centre will be a significant cultural asset providing much needed performance and rehearsal space as well as space for theatre arts education and professional training. Bard on the Beach will expand its artistic and education programming to offer year-round activities in the new location. The Arts Club Theatre Company will relocate its Revue Stage programming to present three to four productions in the new theatre each year. The theatre will also be available for other non-profit arts organizations to rent at-cost for dance, theatre, music and other activities during the remaining six months of the year, enhancing the production capacity of other community groups.

Figure 1. Site and Surrounding Zoning



The value of the shell space, provided to the City by the developer as an in-kind community amenity contribution, is estimated at \$7.6 million. The tenants are completing \$12.8 million in infrastructure improvements to fit out the shell space: in 2013 the City committed up to \$7.0 million from the 2014 Capital Budget with the tenants responsible for raising the remaining \$5.8 million. When the City’s financial contribution was approved in 2013, it was intended that it would assist in leveraging funding from other levels of government as well as through private sponsorship and donations. Since Council’s support, Bard and Arts Club have been successful in raising \$2.5 million from the Department of Canadian Heritage and this month, and additional \$1.0 million from the Province of British Columbia. With these contributions in hand there is a remaining \$2.3 million for the proponents to fundraise. There

continues to be excellent progress, with the largest potential private contribution to be from BMO, a long time sponsor of both Arts Club and Bard. BMO has offered a donation of \$1.5 million in exchange for recognition in the naming of the new facility, and acknowledgement in the external signage.

In the current Sign By-law, a donor's name on an exterior sign is considered third party advertising (see definition in next section) which is not allowed on the proposed signs. As a result, an amendment to the Sign By-law is required to allow signs associated with naming rights.

A review of the Sign By-law is currently underway to update the by-law. The new by-law will distinguish naming rights from third party advertising, which will reduce the number of Sign By-law amendments necessary. Completion of the review is anticipated for late 2015. It was intended that the Sign By-law review would be completed prior to consideration of applications for signage with third party advertising. However, the tenants have successfully fast-tracked the infrastructure improvements at the theatre centre with a target completion date of August 2015. The first performance in the new theatre is scheduled for the fall of 2015 with the intention that the exterior naming sponsorship be secured and the sign installed prior to opening.

### ***Strategic Analysis***

#### **1. Sign By-law Intent and Definitions**

The Sign By-law regulates the number, type, form, appearance and location of signs according to the zoning districts and uses. It applies to all signs other than those on streets, lanes or public parks. The intent of the Sign By-law is to permit signage that provides information to identify and locate.

The report uses terms that are defined in the Sign By-law:

"Canopy signs" are attached to the face or a structural element of the canopy.

"Facia signs" are attached to the wall of a building, on the same plane as the wall and do not project more than 400 mm from the wall.

"Third party advertising" refers to sign content which directs attention to products or services provided which are not the principal products or services provided on the site at which the sign is located.

#### **2. Proposed Sign By-law Amendments**

Amendments to the Sign By-law are being sought to permit the installation of three signs on the exterior of the building to identify the theatre centre and to acknowledge the corporate sponsor, BMO:

- an illuminated canopy sign at the front of the building; and
- two facia signs in the recessed front entrance to the building.

- a) The proposed canopy sign (see Figure 2) will be located at the top of the canopy at the front of the building, at the height of the second storey. Its dimensions are 0.56 m (height) by 6.74 m (length) with a total area of 3.77 m<sup>2</sup>. The sign would be 'halo-lit': the individual letters are not illuminated, but lit from behind to create a soft halo effect. There will be no neon, flashing, blinking or changing messages. The proposed signage is in keeping with other commercial signage in the village.

Figure 2. Proposed Canopy Sign



The following amendments to the Sign By-law are required to allow the canopy sign:

Current Sign By-law Regulations:	Proposed Amendments:
<ul style="list-style-type: none"> <li>• a canopy on which a sign is located must project a minimum of 1 m from the building to which it is attached</li> </ul>	<ul style="list-style-type: none"> <li>• allow a sign on a canopy which projects less than 1 m (0.94 m) from the building to which it is attached</li> </ul>
<ul style="list-style-type: none"> <li>• signage across from a residential premises cannot be illuminated</li> </ul>	<ul style="list-style-type: none"> <li>• allow illumination of the canopy sign, which is across from a residential premises</li> </ul>
<ul style="list-style-type: none"> <li>• third party advertising is not allowed on a canopy sign</li> </ul>	<ul style="list-style-type: none"> <li>• allow third party advertising on a canopy sign (to reference a corporate sponsor)</li> </ul>

To limit impacts on nearby residents, the proposed amendments include a requirement to turn the illumination of the sign off between 11 pm and 8 am.

- b) The proposed fascia signs (see Figure 3) are to be located in the recessed entry to the building. Each sign will be 0.15 m (height) by 2.08 m (length), with a total area of 0.31 m<sup>2</sup> each.

Figure 3. Proposed Fascia Signs



The following amendments to the Sign By-law are required to allow the fascia signs:

Current Sign By-law Regulations:	Proposed Amendments:
<ul style="list-style-type: none"> <li>• fascia signs must be located on a front building face above the window head or lintel of the first storey</li> </ul>	<ul style="list-style-type: none"> <li>• allow fascia signs in the recessed entry to the building</li> </ul>
<ul style="list-style-type: none"> <li>• third party advertising is not allowed on a fascia sign unless the advertised products or services are provided on the premises</li> </ul>	<ul style="list-style-type: none"> <li>• allow third party advertising for products or services not provided on the premises (to reference a corporate sponsor)</li> </ul>

### 3. Naming Rights Policy

The Naming Rights Policy enables the City to grant the right to name a civic facility, which is operated by a non-profit tenant, to recognize a significant corporate donor. The policy is intended to acknowledge the fundraising needs of non-profits and encourage philanthropic giving, while also acknowledging public investments and safeguarding against the commercialization of the public realm.

In April 2015, Bard and Arts Club applied to the City to name the theatre centre after a significant sponsor, BMO, and to include its name on the exterior signage in recognition of a \$1.5 million contribution to the theatre centre in exchange for naming rights for a period of 20 years. This donation will support capital infrastructure improvements and a capital reserve fund.

The application is consistent with the Naming Rights Policy requirements:

Naming Rights Policy Requirements:	Requirement Satisfied:
• applicant must establish an internal naming rights policy, approved by Board of Directors	• yes
• current signed Occupant Agreement in place with City	• yes
• naming entity's products, services, and business practices must not contradict the mandate, policies or objectives of the City, and must conform to all federal, provincial and municipal statutes	• yes
• naming rights to be provided for a fixed term and do not extend beyond the term of the Occupation Agreement	• yes
• applicant must provide a capital campaign plan, including case for support; current market valuation of the proposed naming opportunity completed by an independent fundraising professional; and, intended use of funds	• yes
• applicant must show demonstrated support from key stakeholders	• yes
• applicant must provide draft naming rights agreement	• yes
• applicant must provide draft signage and acknowledgement plan	• yes
• no logos on signage	• yes
• signage and acknowledgement must comply with all applicable laws and by-laws	• subject of this report

In January 2014, a city-wide independent public opinion survey commissioned by the City of Vancouver determined that 65% of residents support including the name of a corporate sponsor on the exterior signs of a City-owned facility in exchange for a financial contribution.

The naming proposal for the theatre centre is part of this report to Council for consideration and decision, as required by the Naming Rights Policies.

***Financial Implications***

The recommendations of this report will assist in supporting the financial viability of the City-owned, community operated theatre centre. If approved, the naming rights will provide a \$1.5 million dollar contribution to the capital infrastructure required to fit out the facility.

### *Public Consultation*

A community open house was held on May 13, 2015 to explain the proposal and receive community input. Residents and property owners within a two block radius of the theatre centre were notified by mail about the open house.

Nine community members attended the meeting and 17 comment forms and emails were received. Nine (53% of all responses) indicated support for both the signage and naming rights, commenting that halo-lit illumination is a subtle form of illumination appropriate for the neighbourhood, the proposed signs would fit in with the community, and that sponsorship is an important source of funding for arts programs. Seven (41% of all responses) were opposed to the illumination of the canopy sign: there was concern that the signs would be too bright and flashy or possibly neon-lit and would be intrusive to residents. Two (12% of all responses) also noted concern about the inclusion of the name of the sponsor in the signage, especially if the sign is illuminated. One (6% of all responses) was supportive of the signs if the illumination is turned off at 11 pm. The requirement for the illumination to be turned off between 11 pm and 8 am is intended to mitigate impacts from the proposed signage, and, as previously noted, the signs will not include neon or flashing lights.

### *CONCLUSION*

It is recommended that (i) the application to amend the Sign By-law to allow the installation of a canopy sign and two facia signs which include acknowledgement of a significant corporate sponsor; and (ii) the naming rights proposal put forward by Bard and Arts Club, be approved. If approved, the proposed naming rights for the theatre centre will support the financial sustainability of this new performing arts production centre and performance space.

\* \* \* \* \*



Sign By-law amendments  
Regarding signs at 162 West 1<sup>st</sup> Avenue

Draft for Public Hearing

BY-LAW NO. \_\_\_\_\_

A By-law to amend  
Sign By-law No. 6510  
regarding signs at 162 West 1<sup>st</sup> Avenue

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law adds to the indicated provisions of the Sign By-law.
2. To Schedule B, at the end, Council adds:
  - “(q) despite anything to the contrary in this By-law, but only on the site described as CD-1 (462) (162 West 1<sup>st</sup> Avenue) and regulated by CD-1 By-law No. 9594:
    - (i) one canopy sign in respect of which:
      - a) the illumination must be turned off between 11 pm and 8 am;  
and
      - b) sections 10.4.1, 11.1.4 and 11.6 do not apply; and
    - (ii) two facia signs in respect of which sections 10.6.2(b) and 11.6 do not apply.
3. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of the By-law.
4. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**CONDITIONS OF APPROVAL OF NAMING RIGHTS PROPOSAL:**

As required by the Naming Rights Policy for Civic Community Facilities, Bard and Arts Club must enter in the following agreements, which must be in a form and substance acceptable to the Director of Legal Services:

- (i) an Approval Agreement between Bard and Arts Club and the City which outlines the terms and conditions of approval in granting naming rights; and
- (ii) a Naming Rights Agreement between Bard and Arts Club and BMO which outlines the terms of the agreement between Bard and Arts Club and BMO.