



## REPORT

Report Date: October 20, 2022  
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Meeting Date: November 16, 2022  
[Submit comments to Council](#)

TO: Standing Committee on Policy and Strategic Priorities  
FROM: General Manager of Arts, Culture, and Community Services  
SUBJECT: Vancouver Civic Theatres Rental Rates 2023-2024

### **RECOMMENDATION**

- A. THAT Council approve the recommended rental rates and fee increases for commercial licensees, which are outlined in the Summary of Commercial Rental Rates for Vancouver Civic Theatres that is attached to this report as Appendix A.
- B. THAT Council approve the recommended rental rates and fee increases for not-for-profit organizations, Theatre Rental Grant recipients, and VCT Grant recipients, which are outlined in the Summary of Not-for-Profit and Grant Rental Rates for Vancouver Civic Theatres that is attached to this report as Appendix B.

### **REPORT SUMMARY**

This report seeks Council approval of fee increases of four percent (4%) for commercial licensees that license the use of Vancouver Civic Theatres (VCT) locations during the performing arts season that will run from September 1, 2023 to August 31, 2024. The specific licence fees that VCT will charge commercial licensees are outlined in the Summary of Rental Rates for VCT that is attached to this report as Appendix A.

This reports seeks Council approval of fee increases of three percent (3%) for not-for-profit organizations, Theatre Rental Grant recipients, and VCT Grant recipients that license the use of VCT locations during the performing arts season that will run from September 1, 2023 to August 31, 2024. The specific licence fees that VCT will charge these types of licensees are outlined in the Summary of Rental Rates for VCT that is attached to this report as Appendix B.

## **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

On July 9, 2019 (RTS 12991) Council approved new rental rates for VCT that included both commercial and not-for-profit rental rates for three consecutive seasons from September 1, 2020 to August 31, 2023.

On May 17, 2022 (RTS 14874), Council approved 42 Theatre Rental Grants totalling \$1,190,865 for the period of Sept. 1-Dec. 31, 2022 and 57 Theatre Rental Grants totalling \$1,830,685 for the period of Jan 1-Aug. 31, 2023.

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

The City Manager recommends approval of the foregoing.

## **REPORT**

### ***Background/Context***

Rental rates are adjusted each year prior to the preparation of the annual operating budget. Adjustments are made effective September 1<sup>st</sup> of each year in alignment with the traditional performing arts season. Rental rates are set annually in relation to the specific economic factors, such as general inflation, cost, and labour increases, the City's budget objectives, and in relation to the local, regional and national market.

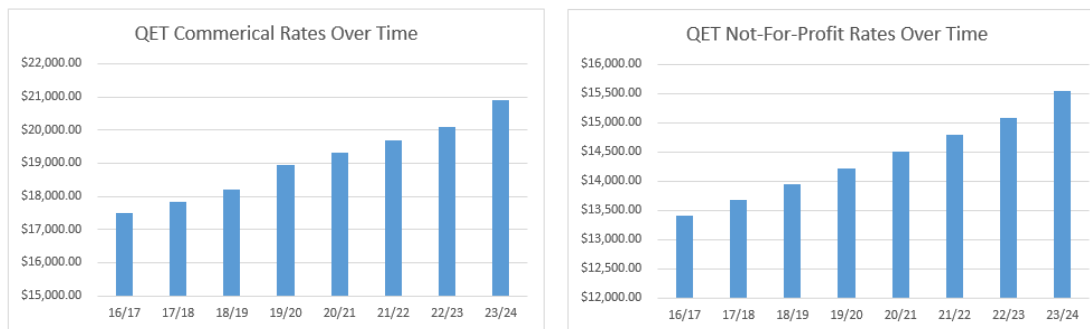
### ***Strategic Analysis***

#### **Rental Rates**

Commercial rental rate increases at Vancouver Civic Theatres' large capacity venues – the Queen Elizabeth Theatre (QET) and Orpheum – allow for subsidization of VCT's smaller capacity, community-based venues – the Annex and the Vancouver Playhouse – where the rents are lower than their operating cost.

The rental rates are set based on inflationary increases related to operational cost increases and are reviewed in relation to those of comparable facilities to ensure that VCT's rates are appropriately placed according to local, national, and international markets. Figure 1 below is an example that shows a gradual and consistent increase over the past eight years for commercial and not-for-profit single performance rental rates at the QET, a premiere performing arts centre that books both not-for-profit and commercial operators.

*Figure 1 - QET Single Performance (8:00 am to midnight) Rental Rates for NFP and commercial events*



In reference to Recommendations A and B, a summary schedule of some of the key rental rates for the current season and the proposed rates for the next season is shown below in figure 2 for comparison:

Figure 2 – VCT Proposed Rental Rate Increases – 2023-2024

VCT Proposed Rental Rate Increases - 2023 - 24

Venue	Rental Type	22/23	23/24	
		Fee	Fee	% Chg.
QET & Orpheum	Commercial Licensees	\$ 20,100	\$ 20,905	4%
	NFP/TRG/VCT Grants Licensees	\$ 15,090	\$ 15,545	3%
Vancouver Playhouse	Commercial Licensees	\$ 4,670	\$ 4,855	4%
	NFP/TRG/VCT Grants Licensees	\$ 4,580	\$ 4,715	3%
Annex	Commercial Licensees	\$ 1,540	\$ 1,600	4%
	NFP/TRG/VCT Grants Licensees	\$ 1,510	\$ 1,555	3%

❖ Full Proposed Rate Schedules can be found in Appendix A and B

Staff are recommending a four percent (4%) increase for commercial rental rates and a three percent (3%) increase for all not-for-profit, TRG, and VCT Grant rental rates for the 2023/2024 (September 1, 2023 to August 31, 2024) season, per Appendix A and Appendix B.

Rates outlined in Appendix A and Appendix B have been reviewed by the VCT Board and they recommend the rates for approval by Council. In preparation for a potential increase, all booking enquiries received for the 2023/2024 season have been informed of a potential rental increase pending Council approval. If Council approves the 2023/2024 rental rates, a confirmation letter will be sent to all of regular users of VCT to confirm these rates.

Vancouver Civic Theatres Facility Fees

Ticketing companies charge facility fees directly to patrons attending events at Vancouver Civic Theatres and remit this fee to VCT. The fee, net of administrative costs (15%), is transferred to

the capital facility reserve for capital maintenance of the theatres. For the 2023/2024 Season, staff are recommending an increase of 25 cents per ticket sold to Commercial, not-for-profit, TRG, and VCT Grant Licensees. The facility fee price structures are listed in Appendix A and Appendix B.

**Financial**

The rental rate increase will impact revenues from September 1, 2023 until August 31, 2024. The approved rates will be used for the 2023 and 2024 operating budget process.

Figure 4 below, shows an estimated overall increase in rate related rental revenue of approximately \$184,210 for the 2023/2024 Season.

*Figure 4 - estimated revenues with fee increases forecast\**

<b>2023/2024 Financial Impact:</b>					
<b>Rate Type</b>	<b>23/24 Forecasted Rates</b>	<b>23/24 Proposed</b>	<b>Difference</b>	<b>Rate Increase</b>	
<b>COMMERCIAL</b>	1,977,645	2,056,751	79,106	4%	
<b>TRG</b>	2,829,608	2,914,496	84,888	3%	
<b>NFP</b>	1,947,759	2,006,192	14,216	3%	
<b>VCT Grant</b>	200,000	206,000	6,000	3%	
	<b>\$ 6,955,012</b>	<b>\$ 7,183,439</b>	<b>\$ 184,210</b>		

*\* based on fiscal year 2023 forecast*

Rental rate increases are necessary to account for annual increases in labour and other operating costs, and to continue to subsidize the below operating cost rates for the Vancouver Playhouse and the Annex that ensure these venues remain accessible to the arts and culture sector.

**CONCLUSION**


This report proposes an increase in VCT rental rates of four percent for Commercial Licensees and three percent for not-for-profit, TRG, and VCT Grant Licensees for the 2023/2024 performing arts season effective September 1, 2023 to August 31, 2024, as detailed in Appendix A and Appendix B.

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VANCOUVER CIVIC THEATRES SUMMARY OF COMMERCIAL RENTAL RATES

<b>VANCOUVER CIVIC THEATRES</b> Summary of Rental Rates for SEPT. 1, 2022 to AUGUST 31, 2023 For Commercial Licensees Subject to Council approval 20-Oct-22	
<b>QUEEN ELIZABETH THEATRE &amp; ORPHEUM</b>	<b>Commercial</b> 8:00 am - midnight
1 Performance	\$20,905
2 Performances (in the same time period)	\$31,355
Conference (maximum 10 public hours)	\$31,355
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	\$4,685
*Technical Day	\$7,780
Film Shoot <i>Per Day 8:00 am to 8:00 am (Labour extra)</i>	\$10,615
<i>ALL RATES ARE SUBJECT TO GST.</i>	
<i>*Monday - Saturday 8:00 am to 5:00 pm, Head Carp, Head Electric at regular rates, any additional hours after 5:00 pm are subject to VCT Director approval and venue availability</i>	
<b>VANCOUVER PLAYHOUSE</b>	<b>Commercial</b> 8:00 am - midnight
1 Performance	\$4,855
2 Performances in the same time period	\$7,290
Conference (maximum 10 public hours)	\$7,290
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	\$1,210
Technical Day (Head Carp, Head Electric, Stage Door included at regular rates only)	\$2,385
Film Shoot <i>Per Day 8:00 am to 8:00 am (Labour extra)</i>	\$3,515
<i>ALL RATES ARE SUBJECT TO GST.</i>	
<b>ANNEX</b>	<b>Commercial</b> 8:00 am - midnight
1 Performance	\$1,600
2 Performances (in the same time period)	\$2,415
Rental Deposit (Non-Refundable)	\$430
Technical Day (Labour Extra)	\$785
Film Shoot <i>Per Day 8:00 am to 8:00 am (Labour extra)</i>	\$1,600
<i>ALL RATES ARE SUBJECT TO GST.</i>	
<b>ᓄᓂᓄᓄ Xwtl'a7shn</b>	<b>Commercial</b> 8:00 am - 8:00 am (24 hour period)
Daily (Labour Extra)	\$1,790
Rental Deposit (Non-Refundable)	\$1,790
Film Shoot <i>Per Day 8:00 am to 8:00 am (Labour extra)</i>	\$2,000
<i>ALL RATES ARE SUBJECT TO GST.</i>	
<b>ANCILLARY SPACES</b>	<b>Commercial</b> 8:00 am - midnight
Queen Elizabeth Salons (Labour Extra)	\$750
Theatre Lobbies (QET/ORPHEUM) (Labour Extra)	\$2,000
QET/Orpheum Rehearsal Hall and Playhouse Lobby or Studio (Labour Extra)	\$575
<i>ALL RATES ARE SUBJECT TO GST. (these rates are not applicable for film shoot rentals)</i>	
<b>FACILITY FEE</b>	
\$4.50 per ticket sold \$20.00 and over	

VANCOUVER CIVIC THEATRES SUMMARY OF NOT-FOR-PROFIT AND GRANT RENTAL RATES

		
<b>Summary of Rental Rates for</b> SEPTEMBER 1, 2023 to AUGUST 31, 2024 For Not-For-Profit, Theatre Rental Grant (TRG), and VCT Grant Licensees Subject to Council approval		20-Oct-22
QUEEN ELIZABETH THEATRE & ORPHEUM	Full Day 8:00 am - midnight	Half Day 8:00 am - 5:00 pm
1 Performance	<b>\$15,545</b>	<b>\$11,540</b>
1 Performance (Orchestra Level Only)	<b>\$11,540</b>	<b>\$9,270</b>
2 Performances (In the same time period)	<b>\$23,315</b>	<b>\$13,905</b>
2 Performances (Orchestra Level Only)	<b>\$17,315</b>	<b>\$13,905</b>
Secondary School Graduation (11:00 am or 7:00 pm start time - max 3 hour event)	<b>\$11,540</b>	
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	<b>\$4,640</b>	
*Technical Day	<b>\$7,705</b>	
Half Day Rehearsal (max 4.5 hour event, must finish by 5:00 pm)	<b>\$2,715</b>	
Hourly Rate	<b>\$615</b>	
<i>ALL RATES ARE SUBJECT TO GST.</i>		
<i>*Monday - Saturday 8:00 am to 5:00 pm, Head Carp, Head Electric at regular rates, any additional hours after 5:00 pm are subject to VCT Director approval and venue availability</i>		
VANCOUVER PLAYHOUSE	Full Day 8:00 am - midnight	Half Day 8:00 am - 5:00 pm
1 Performance	<b>\$4,715</b>	<b>\$3,530</b>
2 Performances (In the same time period)	<b>\$7,070</b>	<b>\$5,285</b>
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	<b>\$1,200</b>	
Technical Day (Head Carp, Head Electric, Stage Door included at regular rates only)	<b>\$2,365</b>	
Half Day Rehearsal (max 4.5 hour event, must finish by 5:00 pm)	<b>\$1,780</b>	
Hourly Rate	<b>\$405</b>	
<i>ALL RATES ARE SUBJECT TO GST.</i>		
ANNEX	Full Day 8:00 am - midnight	Half Day 8:00 am - 5:00 pm
1 Performance	<b>\$1,555</b>	<b>\$1,555</b>
2 Performances (In the same time period)	<b>\$2,335</b>	<b>\$2,335</b>
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	<b>\$425</b>	
Technical Day (One Theatre Technician included at regular rates only)	<b>\$780</b>	
<i>ALL RATES ARE SUBJECT TO GST.</i>		
šxʷłexən Xwtl'a7shn	8:00 am - 8:00 am (24 hour period)	
Daily (Labour Extra)	<b>\$545</b>	
Rental Deposit <i>Per Performance or Set Up Day (Non-Refundable)</i>	<b>\$545</b>	
<i>ALL RATES ARE SUBJECT TO GST.</i>		

<b>ANCILLARY SPACES</b>	<b>Full Day</b> 8:00 am - midnight	<b>Half Day</b> 8:00 am - 5:00 pm
Queen Elizabeth Salons (Labour Extra)	<b>\$425</b>	<b>\$280</b>
Theatre Lobbies (QET/ORPHEUM/PLAYHOUSE) (Labour Extra)	<b>\$425</b>	<b>\$280</b>
QET/Orpheum Rehearsal Hall and Playhouse Studio (Labour Extra)	<b>\$425</b>	<b>\$280</b>

*ALL RATES ARE SUBJECT TO GST.*

<b>FACILITY FEE</b>
\$3.75 per ticket sold \$20.00 and over

**To qualify for these rates, Licensees must be a registered non-profit society, a community service co-op registered with BC Registry Services**