



# Capital Regional District

625 Fisgard St.  
Victoria, BC V8W 1R7

## Notice of Meeting and Meeting Agenda

### Regional Arts Facilities Select Committee

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Wednesday, March 3, 2021

11:30 AM

6<sup>th</sup> Floor Boardroom  
625 Fisgard St.  
Victoria, BC V8W 1R7

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C. Plant (Chair), D. Screech (Vice-Chair), L. Helps, G. Holman, J. Loveday, R. Martin,  
C. McNeil-Smith, R. Mersereau, K. Murdoch, N. Taylor, K. Williams

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

**1. Territorial Acknowledgement**

**2. Approval of Agenda**

**3. Adoption of Minutes**

**3.1 Minutes of the January 13, 2021 Regional Arts Facilities Select Committee meeting**

*Recommendation:* That the minutes of the Regional Arts Facilities Select Committee meeting of January 13, 2021 be adopted as circulated.

*Attachments:* Minutes: January 13, 2021

**4. Report of the Chair**

**5. Presentations/Delegations**

*In keeping with directives from the Province of BC, this meeting will be held without the public present.*

*To speak as a delegate, please email [legserv@crd.bc.ca](mailto:legserv@crd.bc.ca). Alternatively, you may email the CRD Board at [crdboard@crd.bc.ca](mailto:crdboard@crd.bc.ca).*

*To listen to the meeting live, please call no earlier than 11:30 am on Wednesday, March 3, 2021.*

*Phone: 250.900.4337*

*Access: 142 818 5952*

*Password: 1347*

- 5.1                    **Delegation – Doug Jarvis; Representing ProArt Alliance of Greater Victoria: Re: Agenda Item 6.1.: Implementation and Implications of the Consultant’s Recommendations from Stage One: A Public Conversation about Performing Arts Facilities in the CRD**
- 5.2.                    **Delegation – Matthew White; Representing Victoria Symphony Society: Re: Agenda Item 6.1.: Implementation and Implications of the Consultant’s Recommendations from Stage One: A Public Conversation about Performing Arts Facilities in the CRD**
- 5.3.                    **Delegation – Ereca Hassel; Representing Pacific Opera Victoria: Re: Agenda Item 6.1.: Implementation and Implications of the Consultant’s Recommendations from Stage One: A Public Conversation about Performing Arts Facilities in the CRD**

**6. Committee Business**

- 6.1. 21.193                    Implementation and Implications of the Consultant’s Recommendations from Stage One: A Public Conversation about Performing Arts Facilities in the CRD**

*Recommendation:*        The Regional Arts Facilities Select Committee recommends to the Capital Regional District Board:

1. That staff be directed to include \$150,000 in the 2021 final budget; and
2. That staff be directed to begin the process of establishing a regional service for the purposes of planning, developing and funding of performing arts facilities that have regional impact, per Recommendation 1 of the CRD Regional Arts Facilities Select Committee report Stage One: A Public Conversation about Performing Arts Facilities in the CRD.

*Attachments:*        Staff Report: Implementation/Implications-Arts Facilities Recommendations  
Appendix A: Stage One A Public Conversation Performing Arts Facilities -CRD

**7. Adjournment**

Next Meeting: At the call of the Chair

To ensure quorum, please advise Tamara Pillipow (tpillipow@crd.bc.ca) if you or your alternate cannot attend.



## Meeting Minutes Regional Arts Facilities Select Committee

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Wednesday, January 13 2021

9:00 AM

Room 651  
625 Fisgard St.  
Victoria, BC V8W 1R7

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### PRESENT

Directors: C. Plant (Chair), D. Screech (Vice-Chair) (9:09 am), M. Alto (for L. Helps), G. Holman, P. Brent (for D. Howe) (EP), J. Loveday, C. McNeil-Smith (EP), R. Martin (EP), R. Mersereau, K. Murdoch (9:15 am), K. Williams

Staff: R. Lapham, Chief Administrative Officer; N. Chan, Chief Financial Officer; J. Lam, Manager, Arts Development; M. Lagoa, Acting Deputy Corporate Officer; T. Pillipow, Committee Clerk (Recorder)

EP – Electronic Participation

Regrets: Directors L. Helps, D. Howe, N. Taylor

The meeting was called to order at 9:01 am.

### 1. Territorial Acknowledgement

Chair Plant provided a Territorial Acknowledgement.

### 2. Approval of Agenda

**MOVED by Director Mersereau, SECONDED by Alternate Director Alto,  
That the agenda be amended to permit two (2) delegates to speak, Laura Davis,  
resident of Colwood, and Ian Rye of Pacific Opera Victoria: Re: Item 6.2.  
CARRIED**

**MOVED by Director Mersereau, SECONDED by Alternate Director Alto,  
That the agenda for the January 13, 2021 Regional Arts Facilities Select Committee be  
approved as amended.  
CARRIED**

### 3. Adoption of Minutes

**3.1. Minutes of the May 27, 2020 Regional Arts Facilities Select Committee meeting**

**MOVED by Alternate Director Alto, SECONDED by Director Mersereau,  
That the minutes of the Regional Arts Facilities Select Committee meeting of May 29,  
2020 be adopted as circulated.**

**CARRIED**

**4. Report of the Chair**

Chair Plant spoke of the impact COVID-19 has had on our ability to meet and engage with the public in person. He stated how important it is that we continue to plan for the future where we may once again enjoy the theatres.

Director Screech joined the meeting at 9:09 am.

**5. Presentations/Delegations**

**5.1 Presentation: Inga Petri, Consultant, Strategic Moves, Re: Item 6.2.: Report and Recommendations, December 2020: Stage One - A Public Conversation about Performing Arts Facilities in the CRD**

**MOVED by Director Loveday, SECONDED by Director Mersereau,  
That the presenter be given an additional twenty (20) minutes to speak.**

**CARRIED**

**Director Murdoch joined the meeting at 9:15 am.**

Director Plant introduced I. Petri from Strategic Moves to present the Report and Recommendations.

I. Petri spoke to Report and Recommendations, December 2020: Stage One - A Public Conversation about Performing Arts Facilities in the CRD.

Discussion ensued on the following:

- whether conversation with the film commission was included in the scope of the work
- vacancy or usage rates of the facilities and regional coordination to book a facility
- the lack of rehearsal space or facilities to service mid-range (300 to 500 people) requirements
- consideration of a flexible space for culturally diverse performances
- participation of the electoral areas in a regional arts service
- defining the recommendations further

**5.2. Delegation – Laura Davis; Resident of Colwood: Re: Agenda Item 6.2.: Report and Recommendations, December 2020: Stage One - A Public Conversation about Performing Arts Facilities in the CRD**

Laura Davis spoke in favour of Item 6.2.

- 5.3.** Delegation – Ian Rye; Representing Pacific Opera Victoria: Re: Agenda Item 6.2.: Report and Recommendations, December 2020: Stage One - A Public Conversation about Performing Arts Facilities in the CRD

Ian Rye spoke in favour of Item 6.2.

**6. Committee Business**

**6.1. 2021 Regional Arts Facilities Select Committee Terms of Reference**

N. Chan spoke to Item 6.1.

Discussion ensued on dissolving the committee now that the mandate has been met.

**MOVED by Director Screech, SECONDED by Director Williams,  
That the words "..., and action report recommendations." be added after the words  
"...public and stakeholder and input" under Purpose 1.d) of the Terms of Reference.  
CARRIED**

**MOVED by Director Screech, SECONDED by Director Williams,  
That the Regional Arts Facilities Select Committee receive the 2021 Terms of Reference  
attached at Appendix A as amended.  
CARRIED**

**6.2. Report and Recommendations, December 2020: Stage One - A Public Conversation about Performing Arts Facilities in the CRD**

**MOVED by Alternate Director Alto, SECONDED by Director Mersereau,  
That the report be referred back to staff for more information.  
CARRIED**

**7. Notice(s) of Motion**

There were no Notice(s) of Motion.

**8. New Business**

There was no new business.

**9. Adjournment**

**MOVED by Alternate Director Alto, SECONDED by Director Mersereau,  
That the January 13, 2021 Regional Arts Facilities Select Committee meeting be  
adjourned at 10:43 am.  
CARRIED**

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Chair

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Recorder



Making a difference...together

**REPORT TO REGIONAL ARTS FACILITIES SELECT COMMITTEE  
MEETING OF WEDNESDAY, MARCH 03, 2021**

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**SUBJECT**     **Implementation and Implications of the Consultant’s Recommendations from Stage One: A Public Conversation about Performing Arts Facilities in the CRD**

**ISSUE SUMMARY**

Following the consultant’s presentation of the Stage One report at their meeting of January 13, 2021, the Regional Arts Facilities Select Committee (RAFSC) requested that staff provide further information on the implications of implementing the four recommendations. The report from Stage One is included in Appendix A.

**BACKGROUND**

Noting the need for a regional framework for the planning, development, and capital and operating support of regional arts facilities, the report’s key recommendation is to establish a new Capital Regional District (CRD) service with that mandate.

The Stage One report describes the proposed service in general terms; however, it will be necessary for the Board to provide direction on mandate and scope before an establishing bylaw can be drafted for consideration.

The four recommendations in the report *Stage One: A Public Conversation about Performing Arts Facilities in the CRD* are summarized below;

**Recommendation 1: *Establish CRD Performing Arts Facilities Service***

- Create a new, regional service to provide a funding mechanism and strategic planning and development for performing arts facilities that have regional impact.
- Implementation requires a new establishing bylaw to be adopted by all CRD jurisdictions.

**Recommendation 2: *CRD Assigns Place within CRD for Regional Arts Facilities Development***

- Recommendation 2 would establish interim resources for work described in Recommendations 3 and 4.
- Enables the identified work of the proposed Performing Arts Facilities Service to begin in the period preceding the adoption of its establishing bylaw.
- Presumes support for the establishment of the Performing Arts Facilities Service in Recommendation 1.

Recommendations 3 and 4 outline information gathering and convening activities for the proposed service through either adoption of recommendation 1 or, in the interim, by adoption of recommendation 2.

**Recommendation 3: *Regional Planning Group***

- Establishes a regional planning group for the proposed Performing Arts Facilities Service with sub groups focused on areas of sector and community concerns that include feasibility, accessibility, equity, and identifying the functional needs of creators.

**Recommendation 4: *Explore Models of CRD Involvement in Arts***

- Convenes an ad hoc “Governance and Management Task Force” that would explore models for CRD involvement in facilities developed or subsumed under the regional service proposed in Recommendation 1.

The actions for Recommendation 1 suggest meeting with all 16 CRD jurisdictions to explore how their support of current or future arts facilities can be integrated or acknowledged within the new service. The actions also suggest there be “...a full regional as well as a back-up sub-regional funding formula for this service”; however, a “sub-regional funding formula” by definition would not reflect a fully regional service and staff attributes this comment to a misunderstanding by the consultant of how CRD services are structured and funded.

**ALTERNATIVES**

*Alternative 1*

The Regional Arts Facilities Select Committee recommends to the Capital Regional District Board:

1. That staff be directed to include \$150,000 in the 2021 final budget; and
2. That staff be directed to begin the process of establishing a regional service for the purposes of planning, developing and funding of performing arts facilities that have regional impact, per Recommendation 1 of the CRD Regional Arts Facilities Select Committee report *Stage One: A Public Conversation about Performing Arts Facilities in the CRD*.

*Alternative 2*

The Regional Arts Facilities Select Committee recommends to the Capital Regional District Board:

1. That staff be directed to include \$75,000 in the 2021 final budget; and
2. That staff be directed to report back on options to expand participation in existing sub-regional performing arts services.

*Alternative 3*

That this report be received for information.

**IMPLICATIONS**

*Legislative Implications*

To create a regional service a new establishing bylaw would be necessary, requiring elector and ministerial approval. If the service required borrowing e.g. for construction or start-up costs this also would require approval as part of the same elector and ministerial approval process. New services reliant on requisition must be established before April 10 of each year, the statutory requisition date.

For a regional service of this nature, approval can be obtained in two ways: by region-wide alternative approval process (AAP) also known as counter-petition; or, region-wide referendum.



In the past, the Inspector of Municipalities has requested regional services elector approval to proceed by way of AAP, followed by a referendum if the AAP is not successful. The consent process (AAP in the electoral areas combined with consent on behalf of each municipal participant) is also an option; however, when establishing a new service this process must be unanimous and would not be recommended nor likely endorsed by the Inspector.

Another option would be to amend an existing sub-regional service by including additional participants to result in a regional service. This would need an elector approval process for the new service participant(s) whether a municipality or electoral area, and two-thirds consent of current participants in favour of extending the existing service to add the new participants. Inspector approval of the change, as well as any change to the mandate of the existing service is required.

It is possible that the Inspector would not permit a sub-regional service’s mandate to be changed beyond what was reasonable at the point the service was created; e.g., an existing arts service’s mandate being broadened beyond what other participants agreed to on inception. As such, establishing a new service, rather than expanding an existing one, would generally be considered the prudent way to proceed.

*Financial Implications*

To continue development and execution of this work plan, staff require funding from all Municipalities and Electoral Areas. The ability to raise funds is impacted by statutory deadlines, and the service and financial planning processes. A high level estimated budget of up to \$150,000 is required to cover the impacts in the Arts & Culture, Financial Services, and Legislative Services departments, including costs of an alternate approval process and related contracted services.

**CONCLUSION**

The report commissioned by CRD Regional Arts Facilities Select Committee, *Stage One: A Public Conversation about Performing Arts Facilities in the CRD*, proposes a unified decision making framework for the planning, development and funding of regional arts facilities through the establishment of a CRD Performing Arts Facilities Service.

**RECOMMENDATION**

The Regional Arts Facilities Select Committee recommends to the Capital Regional District Board:

1. That staff be directed to include \$150,000 in the 2021 final budget; and
2. That staff be directed to begin the process of establishing a regional service for the purposes of planning, developing and funding of performing arts facilities that have regional impact, per Recommendation 1 of the CRD Regional Arts Facilities Select Committee report *Stage One: A Public Conversation about Performing Arts Facilities in the CRD*.

Submitted by:	James Lam, Manager, Arts & Culture Support Service
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENT**

Appendix A: Stage One: A Public Conversation about Performing Arts Facilities in the CRD

# Report and Recommendations

December 2020

**STAGE  
ONE** A Public  
Conversation about  
**PERFORMING  
ARTS FACILITIES**  
in the CRD

We acknowledge the First Nations whose traditional territories span the Capital Region: Pacheedaht First Nation, Scia'new (Beecher Bay) First Nation, T'Sou-ke Nation, Esquimalt Nation, Songhees Nation, WJOLÉLP (Tsartlip) First Nation, BOKÉĆEN (Pauquachin) First Nation, SʔÁUTW (Tsawout) First Nation, WSÍKEM (Tseycum) First Nation, MÁLEXEŁ (Malahat) First Nation, Stz'uminus (Chemainus) First Nation, Quw'utsun (Cowichan) Tribes, Halalt First Nation, Lake Cowichan First Nation, Lyackson First Nation, Penelakut Tribe, Tsawwassen First Nation, SEMYOME (Semiahmoo) First Nation.

The initiative to facilitate a discussion on the Region's Arts Facilities Needs (RFP FT 2020-002) was commissioned by the Regional Arts Facilities Select Committee of the Capital Regional District. The facilitation of this discussion as well as this resulting report and recommendations were provided by:

Strategic Moves  
Whitehorse, Yukon  
[www.strategicmoves.ca](http://www.strategicmoves.ca)  
[ipetri@strategicmoves.ca](mailto:ipetri@strategicmoves.ca)

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## PART 1: BACKGROUND AND CONTEXT

## THE PUBLIC CONSULTATIONS

In the CRD 2019-2022 Corporate Plan the CRD Board adopted Board Initiative 12a-1 which set out to facilitate a discussion on the region's arts facilities' needs, develop an analysis of those needs, and develop recommendations for future work.

The CRD's Regional Arts Facilities Select Committee commissioned Strategic Moves, an independent consultancy in Whitehorse, Yukon, to design and lead a comprehensive public consultation process and research activities.

The scope of the work included:

- Researching and compiling an inventory and information about oversight of performing art facilities, their functions and roles within the current ecosystem
- Gap analysis
- Equity including demographic and geographic equity
- Considerations related to the intersection of local and regional interests
- Funding and sustainability
- Challenges
- Suggested modifications and improvements (short and long term)
- Partnerships
- Other relevant issues as may arise

This work commenced in June 2020 after the Select Committee took the decision to proceed with a digital engagement process due to the COVID-19 pandemic public health restrictions to gatherings. As a result the original time line was extended to December 2020.

To gain strong direction from the public consultation process, a multi-pronged, iterative and open approach using both qualitative and quantitative methods was designed.

*Stage One: A Public Conversation about Performing Arts Facilities in the CRD* was selected as the title of the project, and a wordmark was developed to ensure cohesive communications.

The CRD Arts & Culture Support Service provided its email lists as well as social media channels to promote the consultations and encourage broad participation.

To encourage further reflection and dialogue on this multi-faceted public conversation among stakeholders all results were posted online at:

**[www.placespeak.com/StageOneCRD](http://www.placespeak.com/StageOneCRD)**

## Methodology

Stage One was designed to offer a variety of ways to encourage broad participation by community members across the entire region. We fostered a highly engaged group of several hundred performing arts workers and those who attend events throughout:

- **Online video conference conversations**

- June 23 to 26: Four pre-consultations sessions were attended by 75 participants representing as many organizations.
- July 21 and 22: Three 90-minute conversations were attended by 67 participants to review and contextualize the facility inventory
- August 24 and 25: Three 90-minute conversations were attended by 25 individuals to review information about local and regional jurisdictional responsibilities as well as forecast population growth by municipality to 2038
- September: 34 participants attended three conversations; one on September 10 focussed on gaps and opportunities for independent artists and small performing arts organizations (13 participants) and two more on September 24 and 25 to share and review online survey results.
- October 16 to 21, Four conversations were attended by 27 individuals for a review of proposed findings and recommendations resulting from this work

In total 197 different individuals registered for this series of online consultations. Published recordings have been watched an additional 280 times.

- **Consultation website: [www.placespeak.com/StageOneCRD](http://www.placespeak.com/StageOneCRD)**

- More than 1,600 views
- 19 individuals participated in the online discussion forum

103 registered connections

- **Online Surveys**

- An online survey open from August 10 to September 10; recruitment via a convenience sample method comprised of email invitations, social media promotion, outreach, and the Placespeak site. Results, posted on Placespeak, should not be extrapolated to the general population but reflect the respondents.

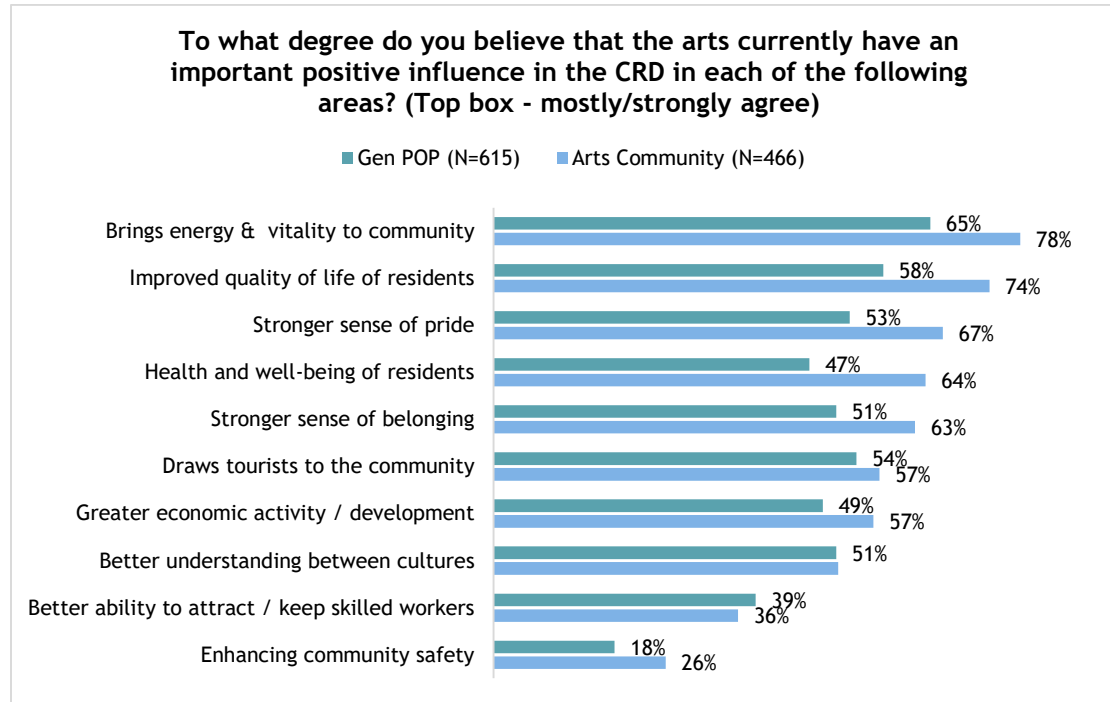
555 full responses were received; plus 80 partials. 57% reported attending but not working or volunteering in the performing arts.

- **Individual interviews**

- 16 interviews with performing arts organizations and artists including First Nations and visible minorities.
- Six interviews with CRD and municipal staff, Select Committee members and Cowichan Valley Regional District Arts & Culture Division regarding jurisdictional relationships and mechanisms to support arts facilities.



## VALUE AND BENEFITS OF ARTS



RESULTS FROM SURVEY OF THE ARTS COMMUNITY, SUMMER 2016 AND SURVEY OF THE GENERAL POPULATION OF THE CRD, SEPTEMBER 2016 (UNDERTAKEN AS PART OF “BUILDING OUR #ARTSFUTURE TOGETHER”)

CRD residents attribute a wide range of benefits to having the arts in their communities. This finding corroborates national data sets such as *The Value of Presenting: A Study of Performing Arts Presentation in Canada* (©2013, CAPACOA/Strategic Moves).

This data shows that the more engaged residents are in the arts, the more strongly they tend to identify these benefit; in general the order of importance reported is consistent between the arts workers and attendees and the general public.

While social and health benefits for residents and the local community are most strongly associated with the arts about half of the population see the importance of arts to tourism and economic benefits as well.

***“Culture creates shared experiences that in turn create healthy and vibrant communities where culture and arts are a driving force of creativity and innovation.” – Canadian Heritage***

## Economic Impact

The economic impact of arts and culture in British Columbia, and the performing arts in particular, has been outpacing growth in Canada overall. According to 2018 data from Statistics Canada ([Table 36-10-0452-01](#) Culture and sport indicators by domain and sub-domain, by province and territory, product perspective):

**Culture GDP in British Columbia was \$7.6 billion in 2018**, representing 2.7% of the province's total GDP. This figure represents 17% growth since 2012, with the live performance sector having grown by 40% to \$448 million during these seven years. BC growth rate meant the province caught up to Canada in terms of share of GDP: Canada's Culture GDP rose to \$56 billion (12% increase since 2012), also representing 2.7% of total GDP. The performing arts sector grew only by 20% nationally over this period of time. The number of culture jobs in B.C. was 98,050, or 4% of total jobs in province, which leads the country and represents a 21% increase from 2014.

Economic impact in the performing arts is primarily derived from salaries and wages as well as earned revenue. In addition to paid work in the performing arts, much of the community-arts and professional arts sector in the CRD thrives on unpaid work by volunteers to deliver major cultural, social and financial benefits: The CRD Arts Service's 2016 general population survey found that 23% of residents volunteered in the arts during the last two years. This is significantly higher than the Canadian average of about 3% annually.

BC's tourism industry has seen strong growth contributing \$8.3 billion to GDP in 2018. Victoria and Vancouver Island remain excellent cultural tourism destinations attracting millions of visitors annually. The performing arts and festival sectors make a positive contribution to attracting visitors, both domestic and foreign.

***“Culture contributes 2.7% of GDP in Canada’s economy. At \$56 billion, the culture industry’s contribution to Canadian GDP is larger than that of utilities, or accommodation and food industries which amounted to about \$43 billion for each. Culture was also far ahead of the agriculture, forestry, fishing and hunting industry, which equaled \$39 billion.”***  
– Statistics Canada

Previous research reported in the *Greater Victoria Arts and Culture Sector Economic Activity Study (2012)*, “the total economic activity generated by the Greater Victoria arts and culture sector in 2012 was \$177 million in net income (GDP) activity. Given the development of the arts in BC and the CRD, this figure will have risen significantly.

## PART 2: FINDINGS

## JURISDICTIONAL POWERS AND OBLIGATIONS

The Province of BC is the legal entity that creates municipal and regional government. The Province gives municipalities and regional districts broad authority to provide services that their respective municipal councils or regional district boards consider necessary or desirable. Importantly, member municipalities “lend” authority to the regional government, rather than being “under” its authority.

The basic principle behind the establishment of regional governments is to help achieve regional economies of scale, so that necessary services become more affordable than they would be, if each municipality had to create its own unique service or system. Regional government also provides flexible service arrangements in which residents only pay for the services they receive. However, there are instances where the recipients of a service do not pay for this service, either at all or equitably. This is the case with arts and culture in the capital region.

**Arts and Culture has been embraced by the vast majority of local governments across Canada due to the far-reaching social, economic and cultural benefits they engender. However, Arts and Culture is NOT a mandated service by provincial law for regional or municipal governments, leaving it up to each jurisdiction to determine its specific support activities.**

### Relevant Powers of Regional Government

- It may establish inter-municipal or sub-regional services and funding mechanisms, such as facilities where residents within and outside a municipality benefit from a service.
- A critical element of the local government financial system is regional-joint-and-several-liability, whereby the debenture debt of one municipality or regional service is essentially guaranteed by the entire regional district.
- Regional government also provides mandated region-wide services (e.g. emergency management, solid waste)
- And it provides local government for electoral areas including waterworks and fire protection.

### Relevant Powers of Municipalities

- Each municipality delivers services for the benefit of and with tax support from residents.
- Municipalities may, by bylaw adopted by each participating municipality, establish an inter-municipal scheme – i.e. bringing several municipalities together for a specific purpose – for any matters they have authority over.

## Regional Arts Funding Framework

The CRD has several sub-regional mechanisms in place under which it provides support for the development of arts and culture sector in the region:

- CRD Bylaw No. 2884 established the CRD Arts & Culture Support Service in 2001. The budget is established through the annual CRD Financial Planning process and is funded by an annual property tax levied within the participating municipalities. Nine of 16 municipalities currently participate: Saanich, Victoria, Oak Bay, Esquimalt, View Royal, Highlands, Metchosin, Sooke and Southern Gulf Islands. North Saanich is not a Service participant but has provided an annual donation since 2013. Their donation in 2020 was \$5,000 but has been as much as \$15,000.
- CRD Bylaws 2587 and 2685 are the service agreements through which funding is provided by the funding participants of the Royal Theatre (Saanich, Victoria, Oak Bay) and the McPherson Playhouse (Victoria) to support the operations and management of the two venues. Bylaw 2587 sets the maximum funding for the Royal Theatre at \$480,000 for capital and \$100,000 for operating. Bylaw 2685 sets the maximum funding for the McPherson at \$400,000 for capital and \$350,000 for operating. No adjustments to the maximum amounts have been made since these bylaws were established in 1998 and 1999 respectively. The Royal Theatre is owned by the CRD. Its management is contracted to the Royal & McPherson Theatres Society (RMTS) through authorization enabled by Bylaw 2647. The McPherson



**ROYAL THEATRE, 1,400 SEATS**



**MCPHERSON PLAYHOUSE, 772 SEATS**

- Playhouse is also managed by the RMTS but owned by the City of Victoria that maintains a separate management contract outside of the CRD.
- CRD Bylaw No. 3116 "Salt Spring Island Arts Contribution Services Establishment Bylaw No 1, 2003" was passed by referendum in 2004. This service provides annual funding to the Island Arts Centre Society, the owner of ArtSpring Theatre, and the Salt Spring Island Arts Council through a property tax levy on Salt Spring Island. Furthermore, the land on which ArtSpring is built is owned by the CRD and leased at no cost to the organization.

Without CRD involvement, the Mary Winspear Centre and its 310 seat theatre opened in 2001. It currently receives about \$500,000 from the **Town of Sidney** where it is located and **North Saanich**. **Central Saanich** discontinued its annual grant – worth about \$5,000 – in 2017.

This table shows the actual contributions, totalling more than \$4.6 million, to the performing arts through these CRD Bylaw provisions for 2020 and, in the case, of the Mary Winspear Centre, through an inter-municipal arrangement. These contributions to the Arts & Culture Support Service and five arts facilities that have a regional aspect are calculated based on property value tax levies. To aid understanding the scale of contribution by each municipality, they were converted to investment *per capita*.

Of note: municipalities can and do fund additional local arts and cultural programming separate from these CRD or inter-municipal mechanisms.

Municipality or Electoral Area	Population 2019	Property tax levy for Arts Service *	Arts Service	Royal Theatre	McPherson Playhouse	Salt Spring (ArtSpring & Arts Council)	Mary Winspear (Not via CRD Bylaw)	per capita
South Gulf Islands	4,800	\$22,000	Group 2 (30%)					\$ 4.58
Salt Spring Island	11,100					\$118,000		\$ 10.63
North Saanich	12,300	\$5,000	Grant to CRD				\$185,000	\$ 15.45
Sidney	12,700		left in 2017				\$325,000	\$ 25.59
Central Saanich	18,400						Nil since 2017	
Highlands	2,500	\$7,000	Group 2 (30%)					\$ 2.80
Saanich	124,400	\$1,126,000	Group 1 (100%)	\$276,000				\$ 11.27
Victoria	93,600	\$1,000,000	Group 1 (100%)	\$249,000	\$ 750,000			\$ 21.36
Oak Bay	19,600	\$216,000	Group 1 (100%)	\$55,000				\$ 13.83
Esquimalt	19,200	\$153,000	Group 1 (100%)					\$ 7.97
View Royal	11,500	\$106,000	Group 1 (100%)					\$ 9.22
Colwood	18,500							
Langford	39,400							
Metchosin	5,100	\$13,000	Group 2 (30%)					\$ 2.55
Sooke	14,400	\$36,000	Group 2 (30%)					\$ 2.50
Juan de Fuca EA	5,000							
<b>Total</b>	<b>412,500</b>	<b>\$2,684,000</b>		<b>\$580,000</b>	<b>\$750,000</b>	<b>\$118,000</b>	<b>\$510,000</b>	<b>\$ 11.25</b>

\* <https://www.crd.bc.ca/docs/default-source/finance-pdf/budget-2021>

## POPULATION PROJECTION

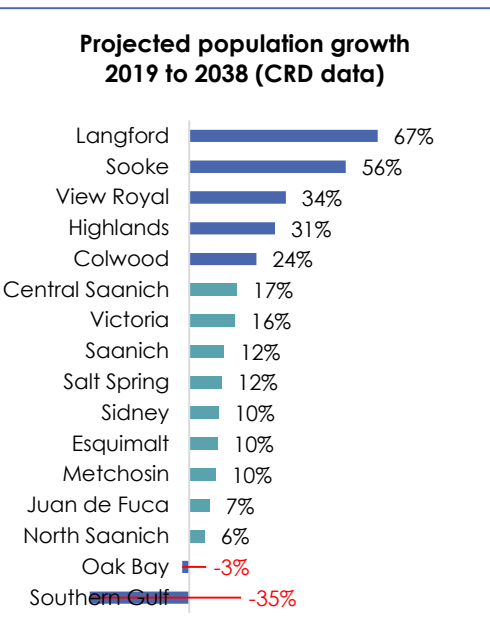
Several population trends have been forecast for the CRD for the next 2 decades that have to be considered in the context of infrastructure investments and evolving needs:

- Overall population growth of about 20%
- The fastest growing age group will be 65 and over, increasing from 22.3% to 28.5% of the total population by 2038.

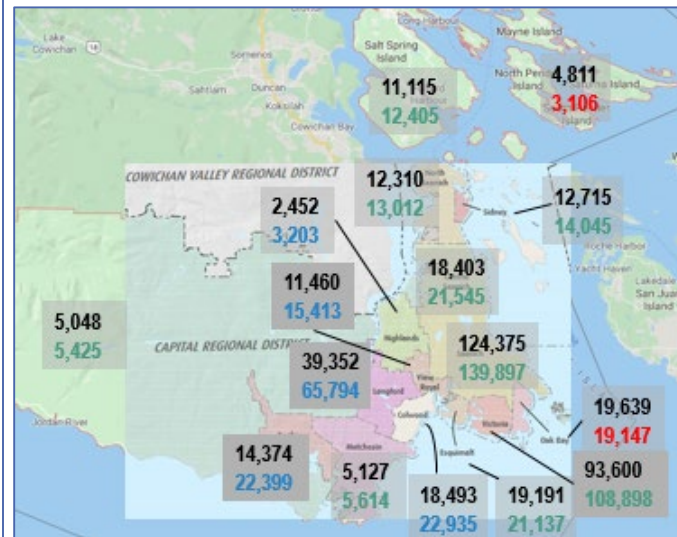
Census data reveals another fast growing segment of the population: visible minorities. From Census 2001 to 2016 visible minorities grew by 85%; as a share of total population these groups comprised 8.7% (27,000) in 2001 and 13.7% (50,000) in 2016.

TABLE 9: CRD POPULATION AGE DISTRIBUTION 2019-2038

Age Group	2019	2028	2038	2019-2038 Change
0 - 17	62,884	69,534	72,469	15%
18 - 24	36,893	34,146	37,912	3%
25 - 44	108,302	117,502	115,302	6%
45 - 64	112,374	111,985	127,333	13%
65 and over	92,012	121,461	140,959	53%
<b>Total</b>	<b>412,465</b>	<b>454,628</b>	<b>493,975</b>	<b>20%</b>



Population growth is projected to be most significant in Westshore communities led by



Langford and Sooke. However, despite this high percentage growth forecast, the dominance of Saanich and Victoria will persist into the foreseeable future: Those two municipalities' population is expected to make up about 50% by 2038, a reduction of only 3 points compared to 2019.

In general, a growing population will put pressure on existing infrastructures and amenities including venues for the performing arts. The type of venues and their physical requirements needed change with the age composition and more diverse cultural backgrounds of the population.

## TRAVEL TIME TO PREFERRED VENUE

The 2020 Online Survey (full results posted at [www.placespeak.com/StageOneCRD](http://www.placespeak.com/StageOneCRD)) revealed the length of time survey respondents reported it takes them to get to their preferred performing arts venue by whatever mode of transport they preferred.

By cross-tabulating the result with their municipal residence, we see that the great majority of respondents from Victoria, Oak Bay and Esquimalt report taking less than 20 minutes. While respondents of Salt Spring and Southern Gulf Islands benefit from on-island facilities, residents of Juan de Fuca, Sooke, and North Saanich report the longest travel time to their preferred venue.

Importantly, this question did not simply ask about the closest arts facility to their residence, but their preferred one. Preference can be driven by several factors, including proximity to ones residence or work, and the types of programming respondents prefer. For instance, only one (perhaps two) venues can host large shows such as opera, symphony orchestra or Broadway. As such we can infer that longer travel times from the Peninsula are driven by programming at major theatres in Victoria, that is not available at the Mary Winspear Centre's 310 seat theatre.

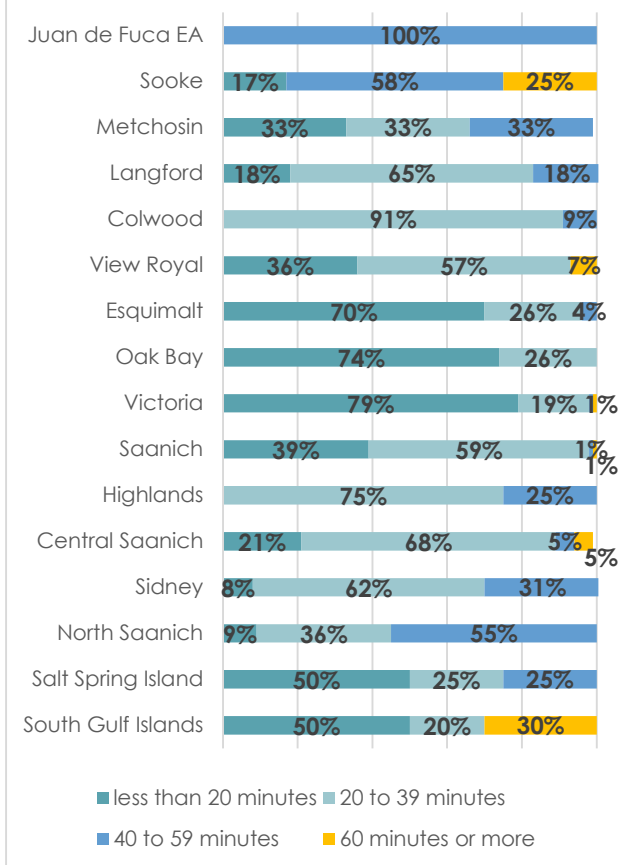
A summary by the three major regions shows that Westshore and Peninsula residents report considerably longer travel times than those residing in the Centre of the region.

Summary by regions	Westshore (N=59)	Peninsula (N=41)	Centre (N=504)
less than 20 minutes	19%	15%	<b>67%</b>
20 to 39 minutes	49%	<b>61%</b>	32%
40 to 59 minutes	<b>25%</b>	22%	1%
60 minutes or more	<b>7%</b>	2%	0%

The time it takes to get to a venue has a major impact on whether someone attends and at what frequency.

In short, location matters.

Q 1- Where do you live x  
Q3 - Length to get to preferred venue (N= 635)





## FACILITY INVENTORY

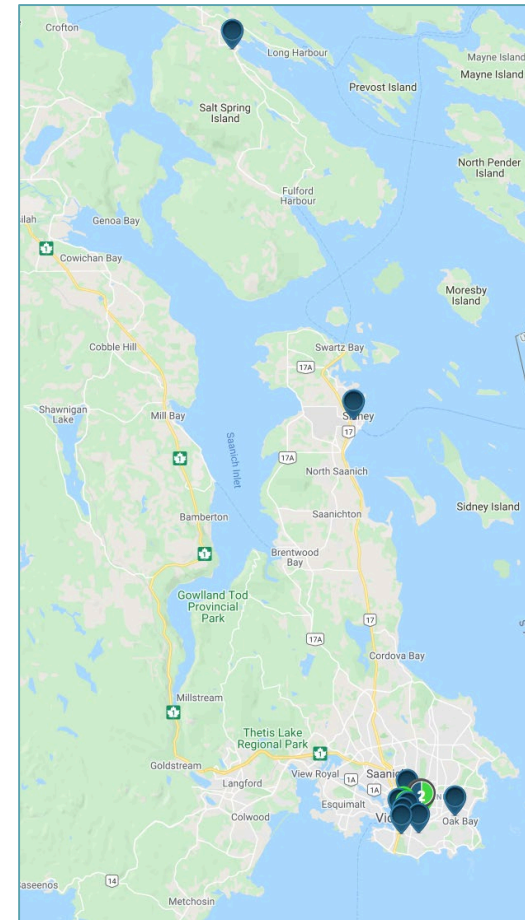
As part of this initiative, we researched and analyzed all the facilities in the CRD that can be considered part of the performing arts eco-system. The arts community asked that we not limit the inventory to *theatres*, but review a broader array of criteria. As a result we identified a long list of 180 performing arts-related facilities, which were narrowed to 85 facilities most relevant to this initiative:

14 Theatre spaces	Location	Seating
Canadian College of Performing Arts /Hall	Oak Bay	51 - 150
ArtSpring Theatre	Salt Spring	151 - 300
Mary Winspear Centre/ Charlie White Theatre	Sidney	301 - 500
Belfry / BMO Financial Group/Studio Theatre	Victoria	51 - 150
Belfry / Patrick Stewart Theatre	Victoria	151 - 300
Intrepid Theatre Club	Victoria	1 - 50
Intrepid Theatre Metro Studio	Victoria	151 - 300
Langham Court Theatre	Victoria	151 - 300
McPherson Playhouse (RMTS)	Victoria	501 – 1,000
Paul Phillips Hall / Fernwood (Theatre Inconnu)	Victoria	n/a
Roxy Theatre (Blue Bridge Repertory Theatre)	Victoria	151 - 300
Royal Theatre (RMTS)	Victoria	1,001 – 2,000
St. Ann’s Academy National Historic Site Auditorium	Victoria	151 - 300
Victoria Conservatory of Music: Alix Goolden Perf Hall	Victoria	501 - 1000

Seating capacity ranges widely, with six theatres seating 151-300, four theatres with capacity above 301 and the remaining four are smaller venues.

Additionally, the Victoria Conservatory has two recital halls with seating below 150.

11 (79%) of these theatres are located in Victoria.



We identified a range of dance, music and theatre studio spaces suited for some rehearsals and performances.

23 Studio Spaces	Location	Seating
Canadian College of Performing Arts / Studios (B,C,D,E,F)	Oak Bay	n/a
Cedar Hill Recreation Centre / Dance studio	Saanich	51 - 150
Dance Unlimited studio	Saanich	n/a
Gordon Head Recreation Facility / Dance Studio	Saanich	1 - 50
Kaleidoscope Theatre for Young People	Saanich	51 - 150
Passion and Performance Studio	Saanich	n/a
Hilltop House Concerts	Sooke	1-50
Ballet Victoria studio	Victoria	n/a
Bashirah Middle Eastern Dance Studio	Victoria	n/a
Baumann Centre / Wingate Studio / Pacific Opera	Victoria	1 - 50
Centennial United Church / Dance studio	Victoria	n/a
Dance Victoria Studios	Victoria	1 - 50
Draw Heart Studio	Victoria	n/a
Fisgard St. Forum Studio	Victoria	n/a
Hidden Gem Studios	Victoria	n/a
Maple Leaf School of Russian Ballet	Victoria	n/a
Pro Jam Space: Alpha Studio	Victoria	n/a
Pro Jam Space: Li'l Beta Studio	Victoria	n/a
Pro Jam Space: Pembroke Studio	Victoria	n/a
Pro Jam Space: Quadra Studio	Victoria	n/a
Subculture Club	Victoria	1 - 50
Theatre SKAM / Meeting Room/Secondary Studio	Victoria	n/a
Theatre SKAM / Primary Studio	Victoria	1-50
Theatre SKAM / Satellite Studio	Victoria	n/a

Finally, there are a number of outdoor spaces that are used for performances and festivals. Of these 13 spaces, two are in Sidney, and one each in Highlands and Colwood, the remaining nine are in Victoria.

13 Outdoor Spaces
Fort Rodd Hill and Fisgard Lighthouse National Historic Sites - Colwood
Caleb Pike Heritage Park - Highlands
Mary Winspear Centre / Blue Heron Park - Sidney
Sidney Pier Bandshell
Victoria / St. Ann's Academy National Historic Site / Academy Green
Victoria / Bastion Square
Victoria / Cameron Bandshell / The Stage in the Park
Victoria / Inner Harbour (Lower Causeway, Ship Point, Belleville Street Forecourt & Upper Plaza)
Victoria / Parliament Buildings
Victoria / Royal Athletic Park
St. Ann's Academy National Historic Site / Novitiate Garden
Victoria Public Market at the Hudson
Victoria's Spirit Square at Centennial Square

Within educational institutions from secondary schools to universities, there are over 30 performing arts spaces. 19 of them are theatre spaces that can be rented by arts groups outside the educational system, even though access tends to be limited. Some of these facilities accommodate regular performances such as those by the Sooke Community Theatre and Four Seasons Musical Theatre. The Victoria Symphony has begun using Farquhar Auditorium at University of Victoria for some regular season concerts.

19 Theatres in Educational Institutions <i>*GVSD = Greater Victoria School District</i>	Location	Seating
Camosun / Gibson Auditorium	Oak Bay	151 - 300
Camosun / Na'tsa'maht - The Gathering Place	Oak Bay	51 - 150
UVIC / Farquhar Auditorium	Saanich	1001 - 2000
UVIC / Philip T. Young Hall	Oak Bay	151 - 300
UVIC / (Phoenix Theatre) Roger Bishop Theatre	Oak Bay	151 - 300
UVIC / (Phoenix Theatre) Chief Dan George Theatre	Oak Bay	151 - 300
UVIC / (Phoenix Theatre) Barbara McIntyre Studio	Oak Bay	51 - 150
Pearson College / McConnell Theatre in the Max Bell Hall	Metchosin	151 - 300
Teechamitsa Theatre @ Royal Bay Secondary	Colwood	301 - 500
GVSD* / Esquimalt High School Theatre	Esquimalt	151 - 300
Isabelle Reader Theatre @ Spencer Middle School	Langford	n/a
Glenlyon Norfolk School Theatre	Oak Bay	n/a
GVSD / Dave Dunnet Community Theatre	Oak Bay	301 - 500
GVSD / Dave Dunnet Drama Black Box Teaching Space	Oak Bay	n/a
GVSD / Reynolds High School Theatre	Saanich	151 - 300
GVSD / Spectrum Community School Theatre	Saanich	151 - 300
Ridge Playhouse Theatre @Claremont Secondary / Four Seasons Musical Theatre	Saanich	151 - 300
Edward Milne Community School / Sooke Community Theatre	Sooke	301 - 500
GVSD / Vic High Theatre	Victoria	151 - 300

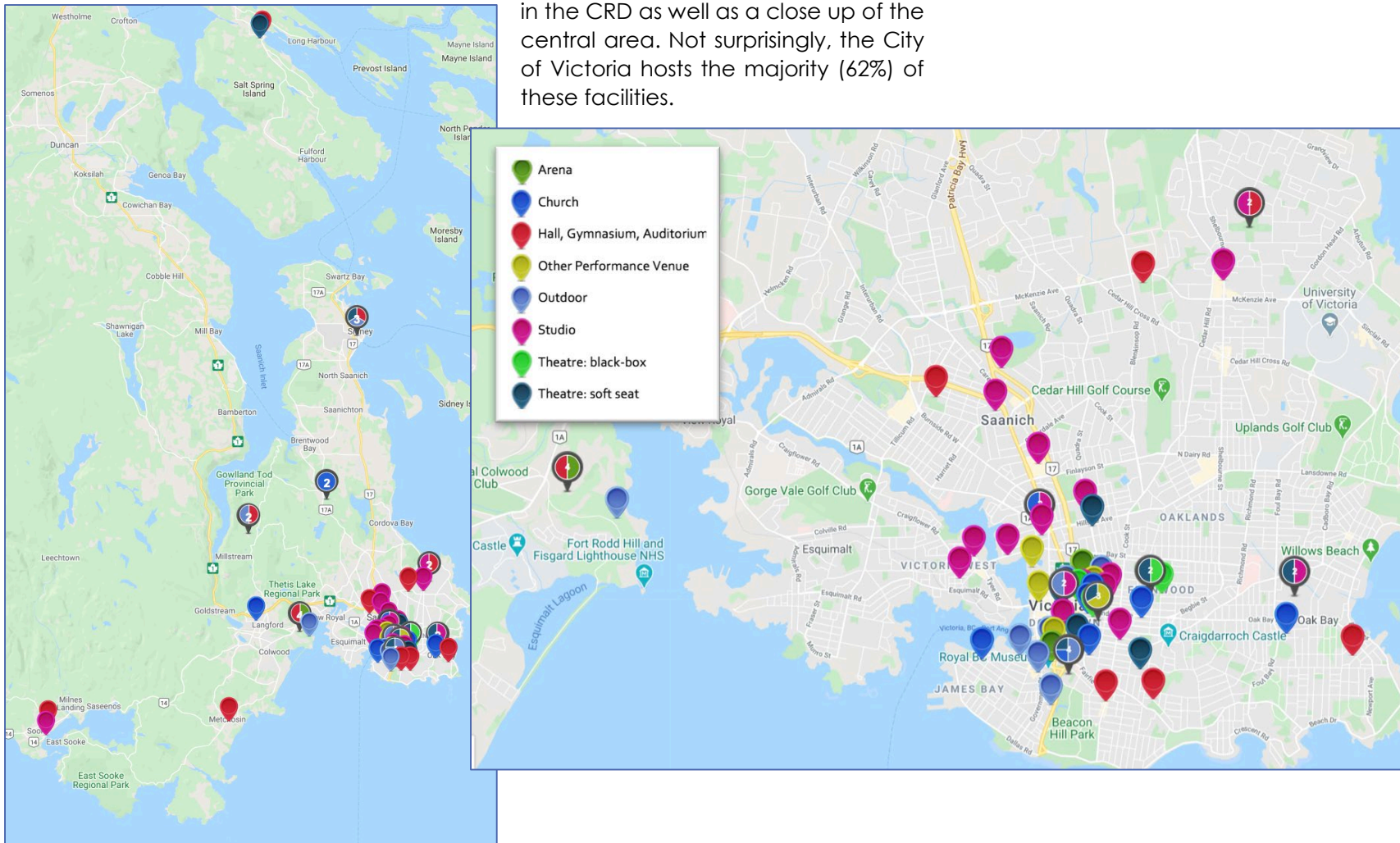
Most of these spaces in educational settings have a greatly limited ability to handle longer rehearsal periods needed for much of the performing arts.

While Oak Bay and Saanich dominate this listing, four of the schools are located in four different Westshore communities.

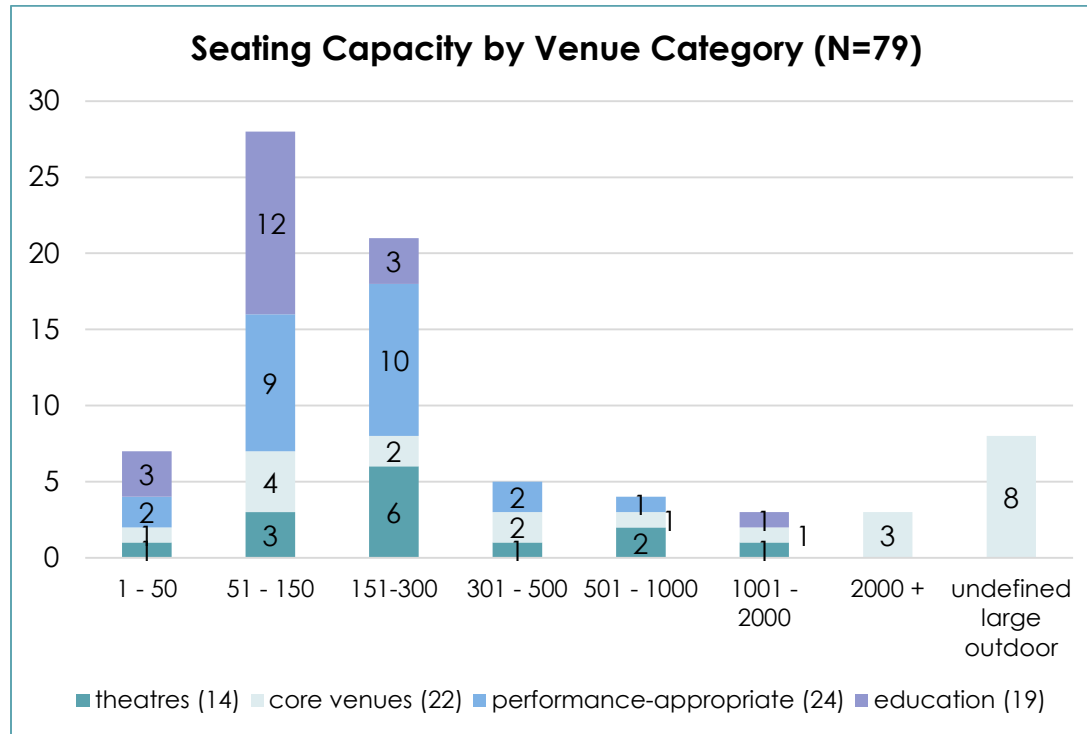
Additionally, there are three **arenas**: Juan de Fuca Arena (501 – 1,000), Juan de Fuca Lower Park, Save-On Foods Memorial Centre both with capacity of more than 2,000. Three privately run outfits in Victoria provide flexible **event spaces**: Sunset Labs, Vinyl Envy (each 51 to 150) and The Rubber Boot Club (151-300).

Other spaces that can be used for performances, but have other primary functions include churches, auditoriums, banquet halls, legion halls, lecture halls, bars and restaurants.

These two maps show 79 performing arts-related venues except educational institutions in the CRD as well as a close up of the central area. Not surprisingly, the City of Victoria hosts the majority (62%) of these facilities.



This chart summarizes the capacity of various venues. There is a range of facilities with various capacities in the CRD, with the vast majority in Victoria and the central core municipalities (Saanich and Oak Bay).



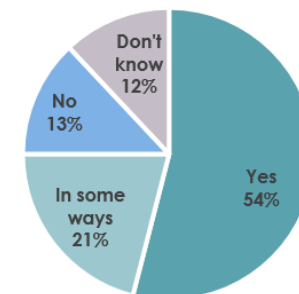
## Gap Analysis

As indicated earlier, availability of many facilities is a major concern, and not only as it relates to the educational facilities. There are major concerns among independent artists,

producer and performing arts companies being able to access the right space for the work they need to do.

When asked in the Online Survey, whether there are needs that are NOT MET by existing performing arts facilities within the capital region, whether for professional productions or community based performances, more than half of the respondents said yes and another 1 in 5 said *in some ways*.

**Whether there are unmet Needs (N= 624)**

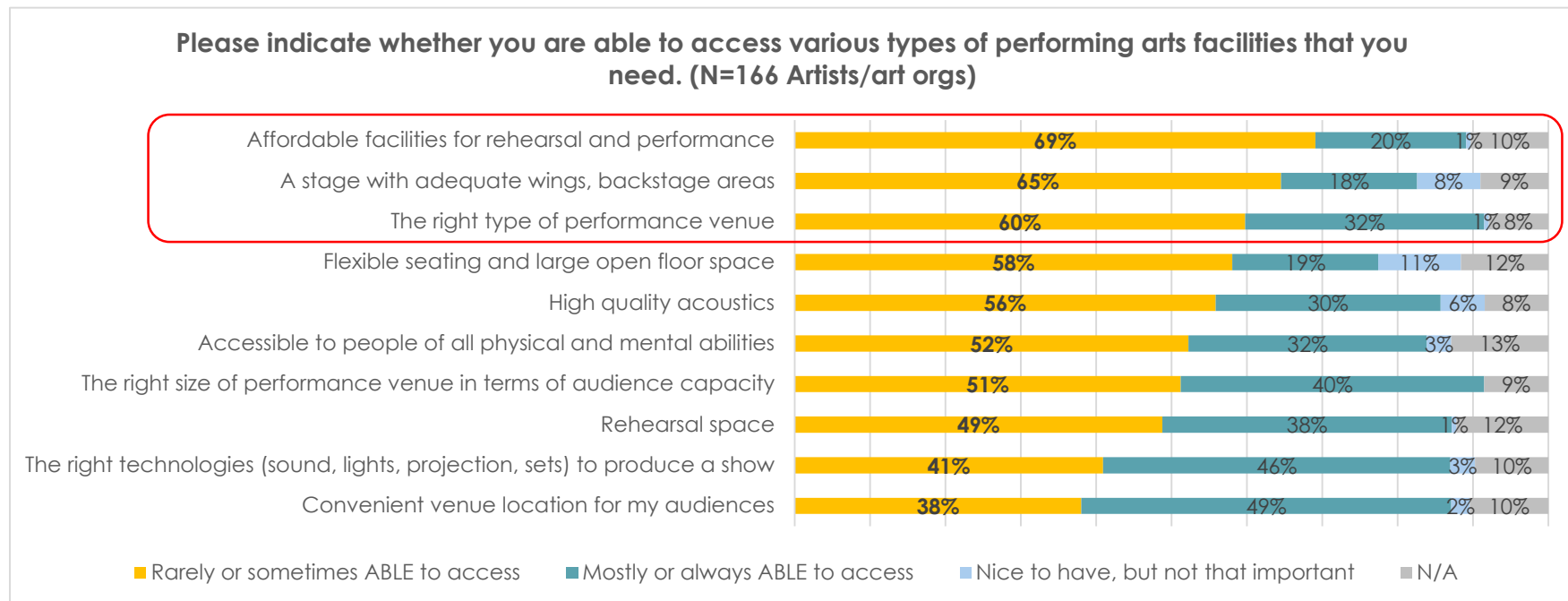


This view was somewhat stronger among artists and producers (N=197): 68% said yes, there are unmet needs, and another 18% said *in some ways*.

When analyzing the survey responses by region, the results are very similar in terms of unmet needs for respondents both from the Westshore and Centre. Respondents from the Peninsula reported the highest *No* and *Don't know* with almost half.

By region	Westshore (N=59)	Peninsula (N=41)	Centre (N=506)
Yes	59%	29%	56%
In some ways	22%	24%	21%
No	14%	20%	12%
Don't know	5%	27%	11%

We followed by asking artists and producers about their experience with access to performing arts facilities. This subgroup of 166 survey respondents identified that they rarely or never were able to access affordable facilities, adequate facilities, and the right type of venue followed by several other access issues.

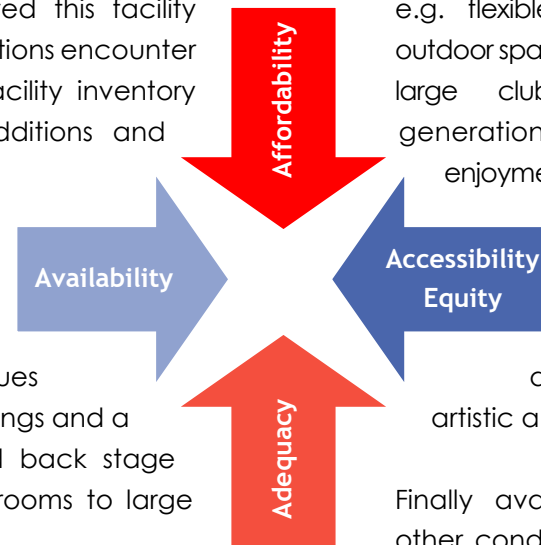


During online consultations with the arts sector, we reviewed this facility inventory and identified gaps different people and arts organizations encounter with the current array of facilities. Indeed we shared the facility inventory spreadsheet online and invited participants to provide additions and corrections.

We learned that there are four main pressures in terms of current facilities. There are serious concerns about both the affordability and adequacy of existing facilities for the specific works artists and producing companies wish to produce. The issues about adequacy range from the stage itself, such the lack of wings and a large enough orchestra pit at the Royal Theatre, or limited back stage amenities, to the amenities from adequate number of washrooms to large enough lobby spaces and bar service.

There was extensive feedback about the lack of physical accessibility both front-of-house and especially back-of-house in all venues. It was felt that the oldest venues have the greatest challenges to modify for greater accessibility; those with awareness of the aging population in the region felt that this will become an ever more important challenge to resolve. Further, participants reported that few efforts were made to retrofit buildings to become fully and adequately accessible.

There were also many comments about access by equity-seeking groups being a major challenge. This, at least in part, results from the focus on European performing arts and performance methodologies which are not, in fact, universally shared. Performing arts spaces that easily and flexibly adapt to different cultural performance modes, or where several generations can enjoy performances have not been a requirement in the past:



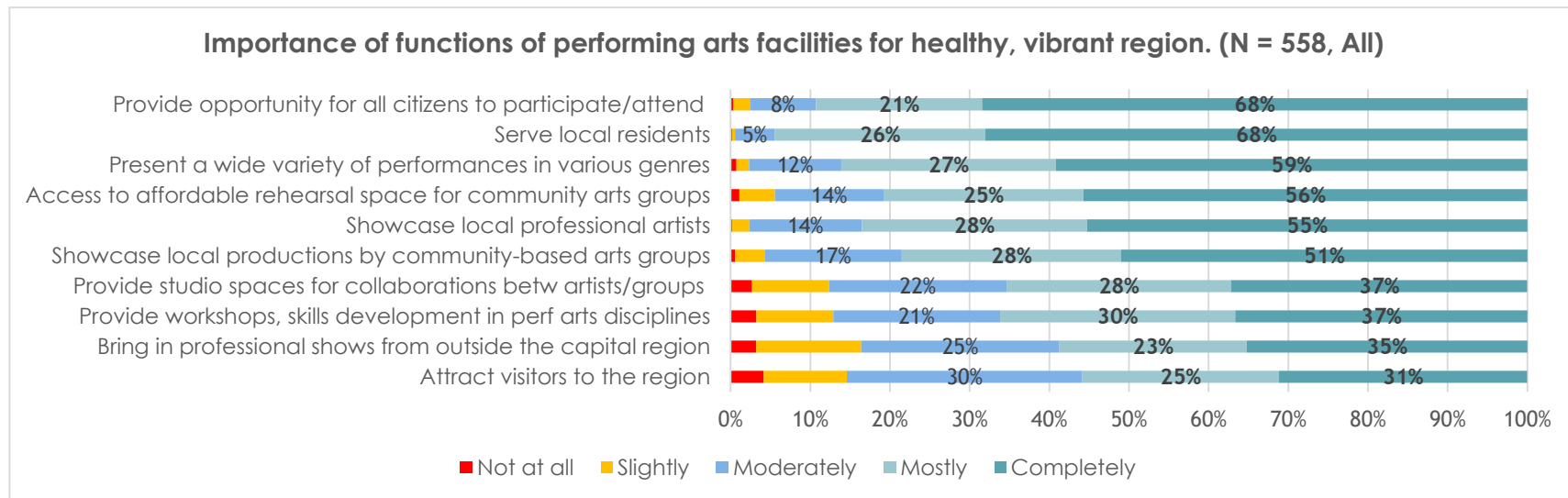
e.g. flexible seating, flexible indoor / outdoor spaces with a club atmosphere, a large club designed with multi-generational patron comfort and enjoyment in mind. As Canada and the CRD becomes more diverse, it is important to consider how to embrace the work of people from different backgrounds and artistic and cultural practices.

Finally availability matters once the other conditions for use are met. Here the sheer size of the local arts community results in very high demand for facilities of many different sizes and for different purposes. For those without a dedicated facility relationship, i.e. the majority of artists, these four factors together present a serious restriction to their ability to develop work, to build their careers, and to grow viable revenue streams both through public funding and earned revenue.

The needs are quite different for different arts organizations. Smaller companies and productions require spaces at the right size, time and space for rehearsal and to build shows, and have the time to develop their work; while the major institutions have highly specialized needs for Symphony and Opera, in particular, that are not fully met at the Royal Theatre, where rental rates and availability of coveted weekend dates had become a flash point.

mean they aren't important in the overall mix; patrons do seek a great deal of variety and professional quality as is evidence in actual ticket buying behaviours.

In the Online Survey we asked how important are each of the following functions of performing arts facilities to a healthy, vibrant region. Respondents strongly favoured providing opportunities for all citizens to participate in or attend performing arts events and serving local residents. Access to a variety of genres, as well as affordability for community arts and showcasing local artists and productions followed quite closely. While local residents didn't consider tourism or touring shows as highly, this does not





## FINANCIAL MANAGEMENT FOR ARTS FACILITIES

These 15 not-for-profit performing arts organizations are running facilities within the CRD:

1. Island Arts Society (soft-seat ArtSpring Theatre on Salt Spring Island)
2. Salt Spring Arts Council (Mahon Memorial Hall, auditorium, in Salt Spring Islands)
3. Mary Winspear Centre Foundation; Saanich Peninsula Memorial Park Society (Charlie White Theatre, soft-seat; Bodine Family Hall, auditorium; Blue Heron Park, outdoor; all in Sidney)
4. Canadian Heritage Arts Society (soft-seat Canadian College of Performing Arts' Performance Hall in Oak Bay)
5. Victoria Conservatory of Music (soft-seat Alix Goolden Performance Hall; Winifred Wood Recital Hall; Westhills Recital Room)
6. Ballet Victoria
7. Belfry Theatre Society (soft-seat Patrick Stewart Theatre; black-box Studio Theatre)
8. Blue Bridge Theatre Society (soft-seat Roxy Theatre)
9. Dance Victoria Society
10. Intrepid Theatre Company Society (2 black-box theatres: Intrepid Theatre Club and Metro Studio)
11. Kaleidoscope Theatre for Young People
12. Langham Court Theatre Society (soft-seat theatre)
13. Pacific Opera Association (Baumann Centre, studio space)
14. Royal and McPherson Theatre Society (Royal Theatre and McPherson Playhouse)
15. Theatre SKAM Society

Eight of these organizations receive a CRD Arts & Culture Support Service operating grant. Their total annual budgets range widely from \$500,000 to \$5,000,000.

## Level of Public Funding

- For nine of the 15 organizations, government funding constitutes less than 25% of their annual budgets.
- For four organizations it makes up 25% - 50%
- Two organizations receive more than 50% from government sources.

To be eligible for federal operational funding through the Canadian Arts Presentation Fund requires that the venue has a curatorial presentation program. The Royal and McPherson Theatre Society (RMTS) is a rental facility and therefore cannot access this fund. This significantly reduces its grants from government which is limited to the regional level.

Federal Cultural Spaces infrastructure funding is available to all of these organizations. However, it appears as though major capital investment will require a concerted and cohesive regional approach to succeed, rather than individual asks from several different organizations.

This chart shows revenue sorted by earned review from highest to lowest percentage.

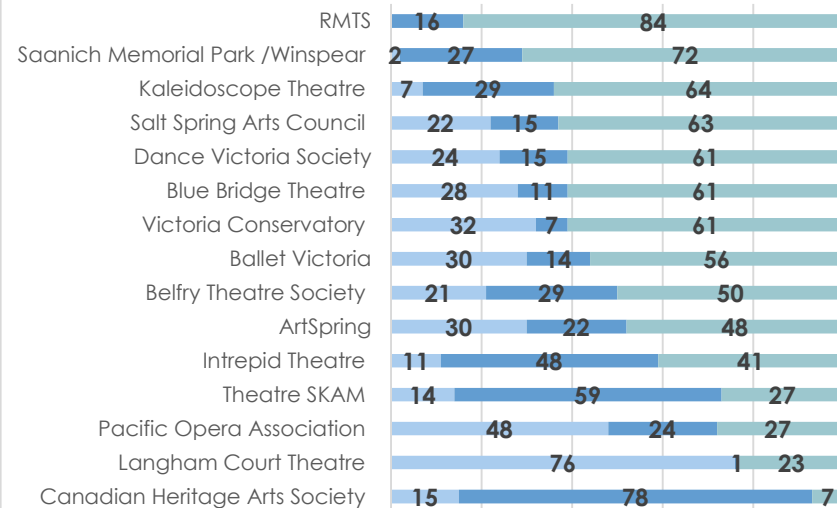
The Royal and McPherson Theatre Society had 84% earned revenue and a quite low 16% in municipal/regional support. In its latest financials public support dropped to 11% as earned rental revenues increased. The only other facility that has a similar financial model is the Mary Winspear Centre in Sidney. These facilities have the highest level of earned revenue of all examined.

All other arts organizations that manage facilities have a considerable percentage in donations and gifts and, in most cases, a higher percentage of government support. Some of those organizations receive support from federal, provincial as well as municipal/regional funding, due to their curatorial presenting programs and other programs taking place at their facilities.

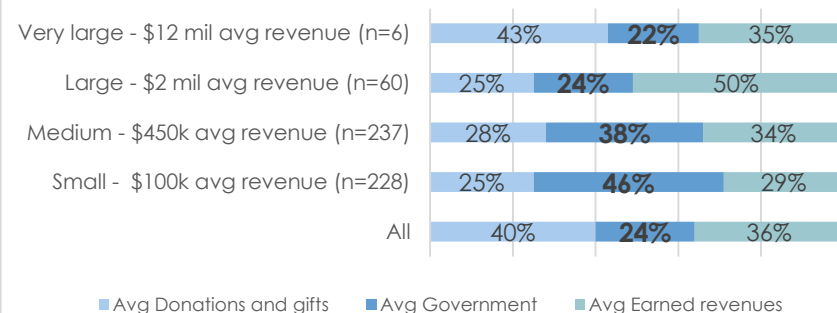
As a point of comparison, we reference the only source of publicly available data: the federal Canada Arts Presentation Fund analyzed by CAPACOA in 2014. The results show that on average 24% of revenue comes from government sources; the smaller the organization, the higher the public contribution. Arts organizations in the CRD tend to receive lower levels of support from public sources.

The only two arts organizations showing a significantly higher public contribution are those with extensive educational programming, Theatre SKAM and Canadian Heritage Arts Society (College of the Performing Arts).

**Revenue Streams of Arts Organizations with Facilities  
(in % of their annual budget - for 2018 - from CRA)**



**Canada Arts Presentation Fund recipients (10 year data 2003 to 2013; CAPACOA/Canadian Heritage)**



## GOVERNANCE OF ARTS FACILITIES

The majority of these theatre facilities are owned and operated by not-for-profit arts organizations, and managed by internal staff reporting to a board of directors. Some of these venues both rent their facilities and present their own work or curate presentations. Some work in ongoing partnerships whereby rental clients are treated as partners with a high degree of services.

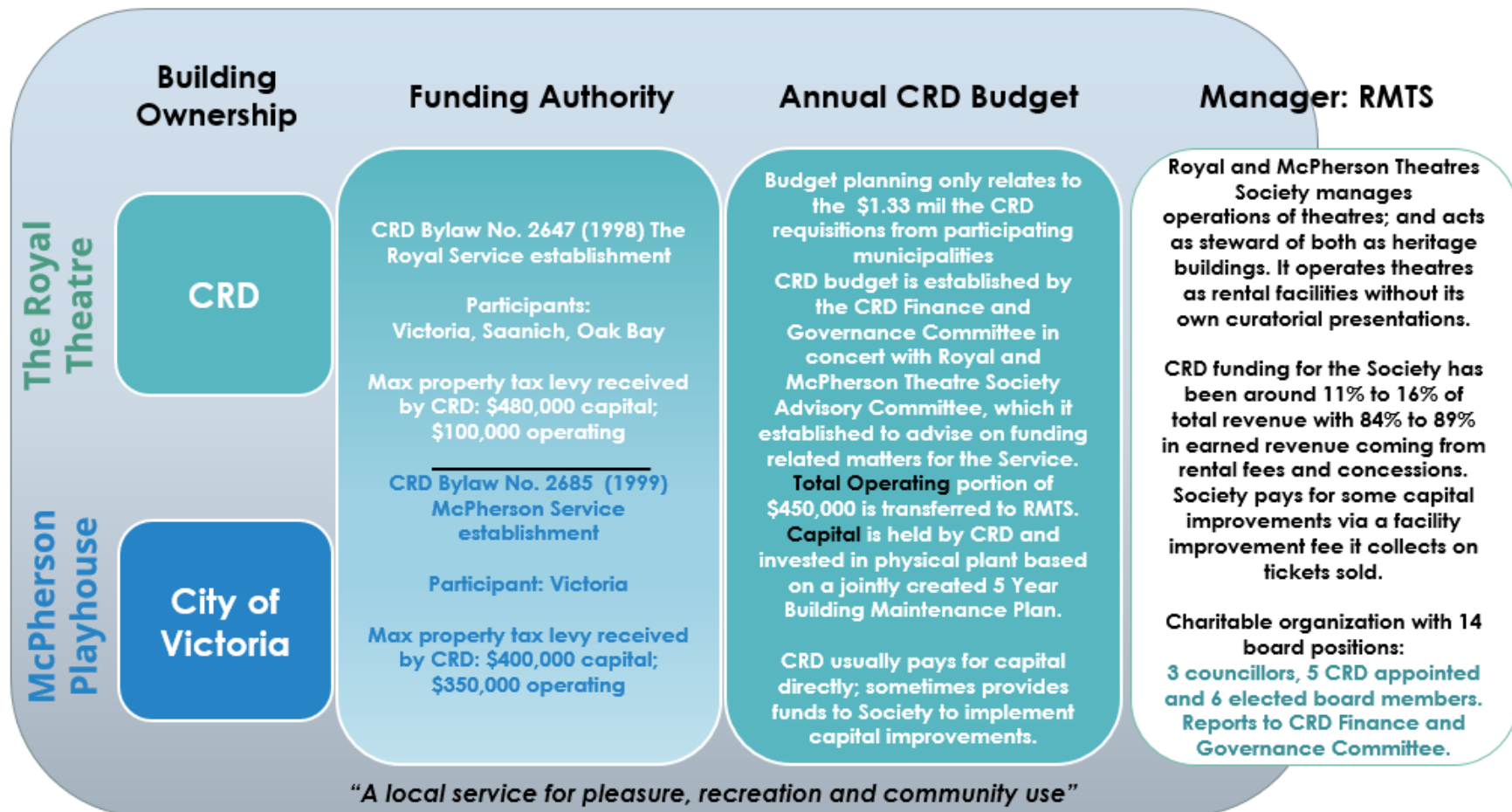
There are also a variety of other ownership models within the capital region, ranging from municipal ownership for a range of outdoor spaces, the McPherson Playhouse (City of Victoria), CRD ownership of the Royal Theatre on behalf of three municipalities (City of Victoria, Saanich and Oak Bay), to private ownership of studio spaces, churches and non-arts not-for-profit organizations.

Each model can be successful. Key appears to be a clear mandate and vision, and to nurture good relationships and effective, clear communications between venue owner, management, producers, user groups / rental clients so that expectations are known.

In consultations with independent artists and smaller arts organizations, we heard that their main issue was that facility planning horizons were often difficult to work with, as their funding often wasn't in place early enough to get their preferred show dates. This is a systemic issue everyone deals with. In general, there was a great deal of collegiality within that part of the arts eco-system and a sense of a common understanding of the challenges each part has to deal with. These artists also required far more access to adequate rehearsal spaces than is available. Many felt this was more difficult to find than performance spaces, as rehearsal periods tended to extend over several weeks.

We also heard a great deal of feedback about the way the Royal Theatre and McPherson Playhouse had been operated. There were signs of a fractured relationship between the RMTS as operating society, and major arts organizations that rely on these theatres to present their works. It appears as though the new leadership at the RMTS has made progress on shifting toward more productive relationships. Nonetheless, there is a persistent lack of understanding how the Royal and McPherson ownership and management is structured. An area of concern relates to the sense that no-one was accountable to the user groups or arts community at large for the way these two major theatres are used. And there are sets of assumptions and expectations that appear to have been hardened by years of difficult community relations. As such, we have worked to better understand the governance model for these two theatre and how the public funding flows.

## Governing the Royal Theatre and McPherson Playhouse



We offer the following observations about the financial relationship between the CRD, the two theatres and the Society that manages them:

- The CRD collects \$1,330,000 each year from the three participating municipalities through the two service agreements.
- Operating funding of \$450,000 that the Society receives pays for direct expenses to turn lights on in the two theatres; it does not pay for its administrative or technical staff – and, as mentioned, the Society does not have a curatorial performing arts program of its own. This is in contrast to operating funding that arts organizations receive which they can use for a wide variety of operating and programming expenses.
- The CRD Finance and Governance Committee holds the capital portion of \$880,000 and handles the financing related to capital improvements directly; there is a mutually agreed on 5-year building maintenance and upkeep plan. Sometimes, the CRD forwards capital funding to the RMTS to implement agreed-on capital improvements.
- The Society pays for some capital improvements out of its earned revenue including a facility ticket surcharge; the Society does not derive a private benefit from doing so.
- The Society is a typical roadhouse manager; the theatres are available for rent by arts producers, promoters or presenting organizations within and from outside the CRD. Roadhouses tend to work to optimize their rental revenue.
- Some roadhouses curate an arts presentation program of their own. Having a curatorial program would open new avenues of potential public funding from other levels of government, even as it injects additional risks into the operation.
- Despite its charitable status, the Society has not solicited donations, until mid-2020 when it began a Raise the Curtain campaign soliciting donations to aid in COVID-19 recovery. The RMTS has not received any increases in regional funding in more than 20 years, despite significant inflation during these years. This intensifies the need to run an effective, diversified revenue generating rental program with a focus on increasing revenues to keep up with its obligations and secure the Society's long-term viability.

### **Concern: Lack of Participation by all Municipalities**

Both theatres are frequented by residents from every municipality in the CRD, not only those that are participating via the CRD Service Agreement. The non-participation by the great majority of municipalities, violates the rationale for having regional government services. The CRD like all regional governments uses bylaws and service agreements as a way to ensure that residents pay only for the services they receive and to build economies of scale for various services that otherwise would be difficult or impossible to afford. In this case, three municipalities are paying while the benefits are enjoyed by all municipalities and their residents. Arguably, the longer a regional service exists without full participation, the harder it becomes to shift toward a shared financial responsibility model for these two theatres. Perhaps as a consequence no other regional arts facilities with CRD involvement exist today.

### **Concern: Accountability and Responsibility is Unclear**

It has been said that when it comes to the Royal and McPherson *the buck stops nowhere*. When conflicts have arisen, for instance, recent disputes between three local rental clients for the Royal Theatre and RMTS management about rental rates and availability of dates, there has been no sense of recourse.

Neither the CRD as owner, nor the three participating municipalities have taken any responsibility for providing direction to the Society or provided any answer on how they view rental rates at the theatres. They have said they want the Society as manager and the rental organizations to sort out their differences.

However, it is notable that the CRD and the three municipalities are not, in fact, merely funders of these publicly owned theatres. The RMTS Board of Directors includes one municipal councillor from each of the participating municipalities and the CRD appoints five additional individuals to the Board. That means that eight of 14 positions, i.e. the majority of board members, are selected by the municipal and regional government.

The Board of Directors has oversight over operational and administrative policies and a role in providing the strategic direction of the RMTS. In actual fact, it is not clear what, if any, direction municipal councillors take from their municipal council and whether the appointed board members receive or take any direction from the CRD at all. It is clear that all board members of a charitable not-for-profit society are expected to act in the best interests of the organization; they are not supposed to represent other entities on the board or act in the interests of any other organizations while acting as director. (source: [https://www.bclaws.ca/civix/document/id/complete/statreg/15018\\_01#section52](https://www.bclaws.ca/civix/document/id/complete/statreg/15018_01#section52))

### **Concern: Divergent Views on Purpose and Priorities**

Throughout these consultations there has been a consistent thread suggesting that the role of the Royal Theatre and McPherson Playhouse should be to support the local arts community and that the RMTS has been falling short for years. Instead what is specified in the Bylaw is that the theatres are converted to “a local service for pleasure, recreation and community use.” Simply put this broad service description provides no clarity on how to interpret *community use*, and whether it should be interpreted as use by residents or use by local arts groups. The notion that the local arts community should benefit from these two publicly supported theatres might be a natural assumption. Yet, the RMTS’ operational funding from the CRD does not leave slack to subsidize local rental clients. Nonetheless, over two decades the RMTS has extended discounted rates to the three primary local clients and given preferential access for rehearsal.

### **Good Relationships Thrive with Good Communications**

It appears as though an adversarial relationship grew between the RMTS and parts of the local arts community over many years. Perceptions of RMTS as an organization have been often quite negative, despite or perhaps because of the major role it plays in managing the two pre-eminent theatres in the CRD. As a facility manager, the RMTS is in the business of renting these theatres sustainably while stewarding these heritage assets for the public good. Good relations are in everyone's best interest. To build those requires mutual understanding and trust, clear and consistent communications. With a change in RMTS senior leadership in early 2020, a new approach has been evident and appreciated by some who have felt grievances in the past.

### **Lessons**

- The CRD appears to not particularly wish to be involved in running the theatres. But due to its ownership, the funding mechanism and appointing some board members, the CRD may wish to clarify its specific involvement in the two theatres, how it appoints board members and what, if anything, it expects them to accomplish. In publicly articulating the specific lines of authority and responsibility related to ownership, as well as management and day-to-day operational decision-making unambiguous clarity could be achieved.
- This report focusses on the flow of public money from the participating municipalities to the operating Society because of confusion amongst participants in this conversation about arts facilities. Indeed, we pieced together from several sources: the financial picture from RMTS financials in Canada Revenue Agency's charitable directory listing which only provided limited insight, asking for and receiving the Society's annual financial statements and reviewing CRD and municipal annual budget documents. Furthermore, the bylaws in question were difficult to locate online and the contract between the CRD and RMTS is not available online. There is

little information in the public sphere about the financial relationship and governance mechanisms.

- When public confusion or misperceptions about governance, financing and decision-making at the RMTS persist, the most effective antidote is to address them as early as possible with open and transparent information sharing in a coordinated, clear manner.
- Open, clear and consistent communications are at the heart of building trust and understanding.

## Municipal Role in Arts Facilities

All across Canada municipal or regional governments have deep involvement in performing arts and other cultural facilities, from public galleries to libraries and museums. The roles local government takes vary:

- Owner and operator with city staff managing, presenting and renting the facility
- Owner with a not-for-profit society as operator
- Funder only

All models are and can be successful. Competent management, effective leadership, collaborative mindsets are all necessary ingredients to ensure a well-functioning, mutually supportive and engaged arts community – venue operator relationship.

## Regional Funding

The financing of regional facilities and regional arts programming has been fragmented with sub-regional services as well as inter-municipal arrangements. In a growing region with a burgeoning arts scene there are many pressures to content with. Growing and strengthening the performing arts eco-system further will bring a wide range of benefits and impacts on the social, and economic health of the region and its people. Establishing suitable financing mechanisms to achieve that aim should be a priority.

The Mary Winspear Centre is owned by the Saanich Peninsula Memorial Society. It replaced Sanscha Hall which was originally built in 1958. In 1995 a \$6 million proposal to build the new facility was issued by the Society and supported by a successful capital fundraising campaign by the Sanscha Community Cultural Centre Foundation (now Mary Winspear Centre Foundation). The new Centre opened in 2001. The Town of Sidney provides annual operational funding and pays for a parking agreement using land of the Society.

Of note, the Cowichan Valley Regional District, succeeded in 2016 to establish a full regional arts and culture service.



## STRONG PUBLIC SUPPORT FOR CRD FUNDING ROLE

Between 1995 and 2001, many decisions were taken by the CRD and interested municipalities to strengthen and develop the arts through support for facilities in the CRD:

- Royal ownership change and Royal and McPherson service establishing bylaws passed in late 1990s
- Arts & Culture Support Service established in 2001
- Salt Spring referendum established property tax levy for two arts organizations and facilities in 2004

Since then the region has continued to grow quickly. And in the next 20 years the region is expected to close in on half a million residents. But no other performing arts facility has come about to absorb the increased level of arts activity along with population growth.

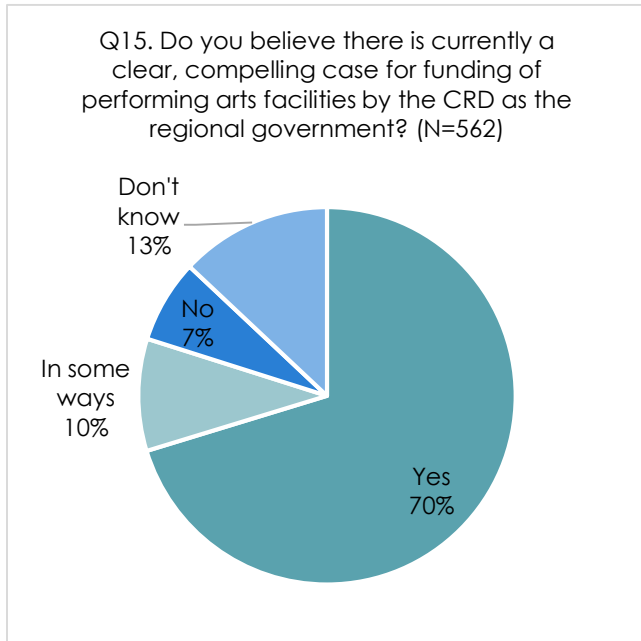
Currently there are a number of proposed projects in various stages of ideation and planning including:

- Juan de Fuca Performing Arts Centre in Colwood
- City of Langford performing arts centre
- Victoria Conservatory of Music partnership with a developer to move into a new space
- Arts On View Society is pursuing an acquisition of 753/751 View Street
- Salt Spring Community Theatre Society looking to create community arts facility for non-profit groups in Ganges, perhaps in the Salt Spring Middle School that may be closing

Others initiatives may emerge with both local and regional aspirations.

Over the years, other projects have been abandoned as the political will and financing have not materialized. At least in part this appears to result from other levels of government feeling hard pressed to support a multitude of projects in the same area without meaningful coordination between the interested parties. The federal government should not be expected to pick and choose among local initiatives. Rather those who are engaged locally need to work together to build a strong coalition with clearly defined priorities and line up the local government and financial supports.

In the online survey, there was some concern whether establishing a new service will mean an automatic increase in property tax bills to pay for it. Importantly, like all services a regional government provides, it does so with the support of the member municipalities, citizens and stakeholders



Among sub-groups there was some variance in emphasis, but the basic results persisted:

Attendees

69% say yes / 4% no / 15% don't know

Venue staff

69% say yes / 19% no, 13% don't know Creators/Performers/

Producing companies

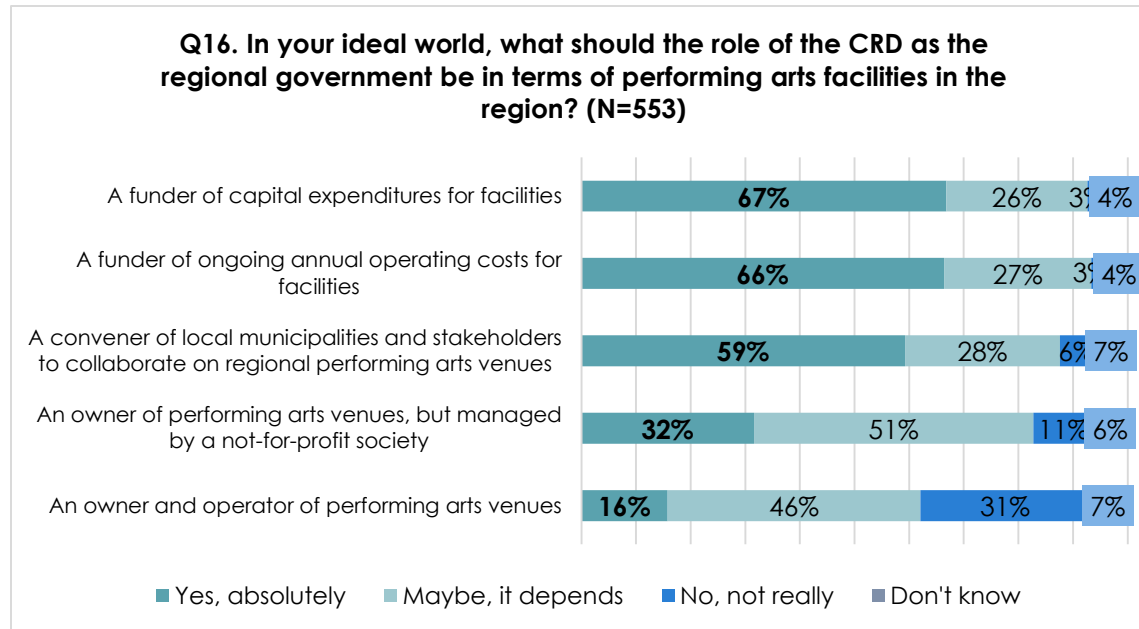
78% say yes / 10% no; 7% don't know

Furthermore, this question about the case for CRD funding generated almost 200 comments. Most were in favour of the CRD taking on a pro-active role in regional arts facilities due to its impact on quality of life, economics and strengthening the arts community. Many also wanted to see fair way to ensure all municipalities would participate. And many more favoured the prospect of a new performing arts centre than did not.

Several comments showed that for some respondents there is little trust that the CRD should be involved in owning or managing a facility or curating artistic programming, and some are uncertain about the best role for the CRD, if any.

Top comments (Q 15)	#
importance of arts: contribute to quality of life and vitality of city/ community	45
all municipalities, region, to financially support the arts	38
imbalance between use by citizens and funding by their municipalities	15
Nurture local arts	35
New performing arts centre yes	30
No new facility needed	4
CRD should financially support arts	22
CRD to act as management/coordination/ balancing municipalities	17
Fix gaps in adequacy of existing venues	17
Arts are an economic driver	17

When asked which roles the CRD should play, the funding role returned the strongest support. Both capital and operating funding received the full support of 2/3 of the respondents with nearly 3 in 10 saying *maybe, it depends*.



The role of convener of stakeholders to collaborate was a strong second, showing that there is a perceived vacuum in terms of a coordinated approach regardless of any other involvement.

One challenge in operationalizing this convener role is that there has to be someone able to take responsibility for the CRD to take any action. At present no CRD department or service exists with responsibility for regional arts facilities.

Further open-ended responses make clear that there is considerable desire to find ways to grow and strengthen the local arts community. Survey respondents clearly regard the arts as a major regional asset.

Open-ended comments Q17 Please share any other observations or comments you have about the adequacy, availability, affordability and accessibility of performing arts facilities in the capital region:	#
Support/ nurture local artists and organizations	84
Availability is an issue for artists	65
Support new buildings	39
governance/ management/ ownership/ partnerships	36
Adequacy/age of Royal and McPherson	34
Accessibility (geographic)	29
Funding	22
N=	275

## OTHER FACTORS AFFECTING PERFORMING ARTS

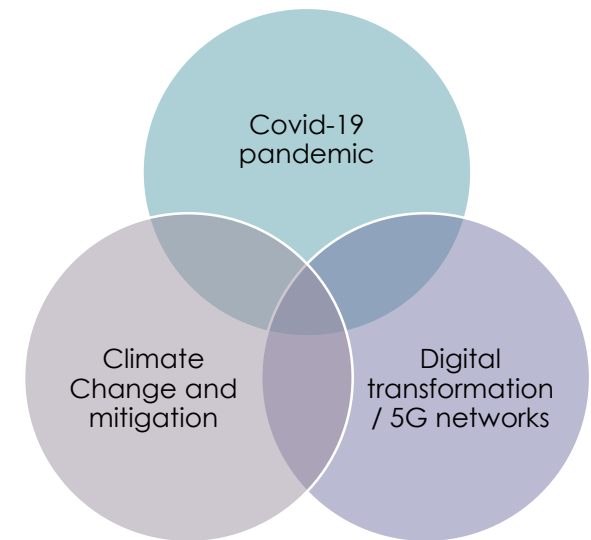
In addition to population growth along with a population that is getting older and more diverse, three other major factors should be considered when contemplating performing arts facilities moving forward:

The COVID-19 pandemic response has, at times, shuttered regular life including schools and any venues where people gather in public from restaurants to performing arts venues. Several vaccines thought to be effective against COVID have received positive media coverage and may receive authorization to be used at population level. Nonetheless, this period has shown that as a species we are vulnerable to viruses in profound ways. The COVID public health mitigation strategies have aimed at curtailing the spread of the virus by requiring greater physical distance between people not living together, an emphasis on HVAC and ventilation. These measures may foreshadow how public venues will be designed in the near future, from requiring larger, more flexible spaces with flexible seating to more personal workspaces hived off with separate ventilation systems.

Similarly, climate change mitigation strategies include a push toward NetZero buildings standards where energy consumption and the creation of greenhouse gases is minimized significantly.

Finally, COVID-19 has accelerated the push to digital including digitizing the performing arts. Coupled with the emergence of the first 5G Internet networks — with their promise of 1,000 faster Internet speed — in Canada in 2020 creates new opportunities or perhaps requirements for performing arts facilities. Numerous existing theatres and other spaces

have adapted by investing in digital production facilities to facilitate high quality video production for streaming shows as well as live streaming technologies.



The consultant expects these factors to play an increasing role in retrofitting existing and building new performing arts facilities over the next period.

## PART 3: RECOMMENDATIONS

## RECOMMENDATION 1: ESTABLISH CRD “PERFORMING ARTS FACILITIES SERVICE”

### Objective

Establish a new region-wide Service Agreement and funding mechanism for performing arts facilities that have regional impact.

### Action

- Evaluate and seek CRD Board and / or municipal input into how best to create this service within the CRD's bylaw framework – e.g. as a new stand-alone service or by amending the Arts and Culture Support Service bylaw to include responsibility for regional arts facilities and their funding.
- Establish the staff required to operate this service.
- Meet with all 16 municipalities to explore how their current support of arts facilities or desired future arts facilities can be integrated or acknowledged within this new bylaw and / or service.
- Establish eligibility and criteria for regional arts facilities to receive capital and operating funding.
- Establish a full regional as well as a back-up sub-regional funding formula for this service.

### Timeline

Prepare CRD Bylaw text and put to a CRD vote spring to winter 2021.

Obtain municipal consent or use alternative approval process during 2022 and advance it to the province for approval.

### Rationale

Regional Performing Arts Facilities are important to the social, cultural, economic health and well-being of all across the region. It is in the region's best interest to grow and strengthen the arts community by enabling existing facilities to become more accessible and by ensuring new facilities meet identified needs of the arts community and audiences.

The CRD exists to leverage scale that an individual municipality cannot achieve by itself. This Stage One process has made clear that there is a great need and desire among participants and survey respondents who work in or are beneficiaries of the performing arts for full regional participation in arts and culture, in general, and performing arts, in particular.

Proliferating *ad hoc* facility arrangements is not going to provide the strategic and coordinated service that will help the arts community grow and develop its work.

## RECOMMENDATION 2: CRD ASSIGNS PLACE WITHIN CRD FOR REGIONAL ARTS FACILITIES DEVELOPMENT

### Objective

Immediately assign a place (an entity) within the CRD structure with responsibility for planning and development of Regional Arts Facilities to manage the implementation of the following recommendations. This assignment can be limited to a specific period of time related to the work and outcomes of recommendations 1, 3 and 4.

### Action

- Discuss at the CRD Select Committee, come to an agreement and bring motion to the CRD Board.
- Establish a mechanism by which the CRD can take on convening a series of working groups with mandates specified in recommendations 3 and 4 to build on the work during Stage One.
- This mechanism should identify an adequate budget and allocate some staff time to oversee, co-ordinate and drive forward the work of these working groups in the subsequent recommendations. It does not have to be a full-time commitment as long as qualified consultants are contracted to lead them.

**Timeline:** Establish this planning mechanism and related budget during winter 2021.

### Rationale

Rather than wait for the service establishing bylaw to pass to begin the Stage Two planning process (Recommendation 1) this recommendation seeks to enable work to move forward immediately while the CRD works toward a longer-term objective of

adopting a new service establishing bylaw. An appropriate funding mechanism for the Stage Two phase of work has to be identified by the CRD.

Without it there is little the CRD can do in practical terms to support regional performing arts facilities, both existing and future ones. The facilities conversation would likely remain mired in the status quo.

Structurally, it could be a continuation of the current Regional Arts Facilities Select Committee or it could be an added responsibility for an existing service with provision of adequate additional resources.

## RECOMMENDATION 3: REGIONAL PLANNING GROUP

### Objective

Establish a **Regional Performing Arts Facilities Planning Group** with specific working groups:

- A) **Accessibility and Equity** – develop a plan and recommendations to improve access to existing regional arts facilities including improving physical accessibility
- B) **Study feasibility** (considers gaps in accessibility, affordability, adequacy for specific purposes, availability) of a new performing arts centre or district and its strategic location(s) in the CRD – invite all current projects proposed or under consideration to participate
- C) **Independent artists**, small to medium-sized companies to develop facility solutions for their needs for rehearsal spaces and the right size of professional theatre spaces

### Action

- Planning Group to include municipal governments, current venue operators, arts groups (user groups), regional planning experts, and cultural spaces consultant to manage the process
- To develop a specific regional performing arts facilities plan that strengthens and grows the local arts community while enabling it to show its works locally and to export its works off-Island (in the real world, or digitally)
- To review existing facilities in terms of best approaches to enhance infrastructure and accessibility for equity-seeking groups and consider potential new facilities;
- To develop a geographic information system (GIS) study showing ideal places to locate a new performing arts centre, as well as smaller rehearsal and creative production spaces

**Timeline:** 12 months mandate from spring 2021 to spring 2022

### Rationale

The results of the Stage One initiative are clear: there is a great desire to unlock the potential of the Capital Region's arts scene and further enrich the lives of residents. There is a clear need to establish a regional approach to arts facilities that are used by/benefit more than a single municipality. For regional facilities, the CRD is the ideal convening entity capable of driving forward any agreed on projects and pursue federal and provincial capital funding. Municipalities have zoning and property tax authority and they hold significant levers of taking action on plans. They need to be actively engaged in regional planning. Furthermore, because these facilities serve particular user groups, they should be participating in the planning.

This Stage Two planning process can proceed without a Service Establishing Bylaw, as long as the work is assigned to a responsible entity identified through Recommendation 2.



## RECOMMENDATION 4: EXPLORE MODELS OF CRD INVOLVEMENT IN ARTS

### Objective

Convene an *ad hoc* “**Governance and Management Task Force**” to explore the various models of ownership, use of operating organization and facility funding; identify potential types of partnerships to more effectively fill the facility gaps within the region, and especially ensure affordability of suitable facilities; prepare a set of recommendations on governance, leadership and management of regional performing arts facilities.

### Action

- Establish this task force comprised of members from major facilities, user groups, the CRD and facilitated by a governance consultant.
- Explore ownership and operating models, including a cost-benefit analysis, and funding models for arts facilities that are used by / benefit more than one municipality.
- Identify potential partnership
- Share information with the Regional Performing Arts Facilities Planning Group

### Timeline

Spring 2021 to winter 2022 (6 to 9 months mandate)

### Rationale

Through this task force a holistic review of the various options can be undertaken. This work will result in specific recommendations for governance, management arrangements and funding for future regional facilities to determine best options for regional facilities.

Throughout the Stage One process, there has been confusion and misconceptions within the arts community about the way the RMTS functions, as well as a lack of clarity of theatre ownership and financing of the sub-regional service that the RMTS manages. While this recommendation is not designed to focus on the Royal and McPherson Theatres, it is inspired by the recognition that there needs to be a full exploration of how to secure sustainable region facilities which requires an evaluation and recommendations related to CRD and municipal ownership and operating models.