



TO: GENERAL COMMITTEE

SUBJECT: W.A. FISHER AUDITORIUM

WARD: ALL

PREPARED BY AND KEY CONTACT: O. GROVES, MANAGER OF CULTURE, EXT 4794

SUBMITTED BY: K. DUBEAU, DIRECTOR OF CREATIVE ECONOMY

GENERAL MANAGER APPROVAL: Z. LIFSHIZ, EXECUTIVE DIRECTOR OF INVEST BARRIE

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That Staff Report CE008-17 regarding the potential development of a 650 seat multi-purpose cultural and events centre (Option A in the Lett report) in the W.A. Fisher Auditorium, be received.
2. That staff be directed to review seed funding options available to the municipality for the proposed Fisher project, with the intent of attracting sponsorship, investment and grant funding, subject to an agreement with HIP Developments regarding the subject lands on which the theatre is to be developed.
3. That staff in the Creative Economy and Legal Services Departments be authorized to explore an operating model for the W.A. Fisher Auditorium and Events Centre, based on a collaborative structure between City staff and not-for-profit arts organizations, subject to an agreement with HIP Developments regarding the subject lands on which the theatre is to be developed, and report back to General Committee.
4. That staff in the Creative Economy Department be authorized to investigate the potential to engage a professional fundraiser to create a sponsorship program for a portion of the capital project and the potential alignment with the existing sponsorship pilot program, subject to an agreement with HIP Developments regarding the subject lands on which the theatre is to be developed.

PURPOSE & BACKGROUND

Purpose

5. City Council passed the following motion:

17-G-183 POTENTIAL ACQUISITION AND DISPOSITION OF LAND MATTER - DUNLOP STREET WEST, BRADFORD STREET, AND HIGH STREET.

1. That staff enter into negotiations with HIP Development for the acquisition of the W.A. Fisher Auditorium and associated lands on Dunlop Street as part of a potential land exchange.

2. That staff undertake an initiative to gauge community support for the retention of the W.A. Fisher Auditorium and their willingness to undertake a capital fundraising campaign for 100% (or another percentage deemed appropriate by General Committee) of the required redevelopment costs, estimated to be approximately \$13M.
3. That staff investigate the availability of grant options that may support the auditorium redevelopment.
6. The purpose of this Staff Report is to provide General Committee with a response to determining the degree of community support for the retention of W.A. Fisher Auditorium including the potential for fundraising and options for grant funding.
7. This report is designed to look at the opportunity of developing the W. A. Fisher Auditorium into the Fisher Auditorium and Events Centre, a multi-functional and configurable space that would provide the high impact facility needed in order to mobilize a large scale community fundraising campaign. The conceptual designs include two options, both with Auditorium seating for 650 people. One design includes event space to accommodate 600+ people standing and more than 250 people in non-fixed seating; a second design includes event space for 1,000+ people (standing) and more than 400 people in non-fixed seating.
8. In addition, in response to questions from members of Council regarding the community and economic benefits of such a project, this report explores the potential of the Fisher Auditorium and Events Centre concept to address known gaps in the performing arts community, including enhancing the capacity of the local arts community to grow, attracting audiences beyond 50km of the City, having the capacity within the City to host larger conferences and corporate events that are not currently supported by any facility within the City, and as part of a larger strategic initiative pertaining to an entertainment corridor or district in the downtown, linking existing cultural assets and supporting economic growth.

Background

9. In 2006, City Council approved a plan for culture, entitled "Building A Creative Future". The plan recommended the establishment of a cultural community centre in the downtown that would include a 250-350 seat theatre with technical, workshop, rehearsal and administrative space. The intent for the space was to coalesce the arts community and provide the impetus to sustain a large performing arts centre (p.43, Building A Creative Future, City of Barrie, 2006). The plan also recommended that W.A. Fisher be upgraded to serve as an interim performing arts centre, until the City of Barrie could plan for a major performing arts centre (p.17, Building A Creative Future, City of Barrie, 2006).
10. W.A. Fisher Auditorium is located within the former Barrie Central Collegiate, the oldest school in Simcoe County built in 1843. The school was deemed prohibitively expensive to refurbish by the Simcoe County District School Board (SCDSB) and it was closed at the end of the 2016/2017 academic year, with the auditorium closing following its final concert on May 11, 2016.
11. W.A. Fisher Auditorium was a successful community-funded initiative that provided both Barrie Central Collegiate and the broader Barrie community with a purpose-built space for large and varied performances. As originally constructed the auditorium held approximately 990 seats. While this number was later reduced to approximately 960 seats the Fisher Auditorium was, until its closure, the largest public performing space in Barrie and the surrounding region.

12. HIP Developments purchased Barrie Central Collegiate from the Simcoe County District School Board and plan to develop the site for residential purposes. HIP approached the City of Barrie and offered it the opportunity to acquire W.A. Fisher Auditorium through an agreement of purchase and sale of land. This resulted in 3 connected initiatives related to the opportunity to acquire W.A. Fisher Auditorium:
 - a. Staff from the Planning Department initiated discussions with HIP Developments regarding the land opportunity, and will be reporting back to Council in a separate report.
 - b. Staff from the Facilities Department engaged architects Lett Architects to look at the integrity of the building and determine if they could sever the auditorium from the rest of the building, and renovate it for the purposes of a performance space and/or conference centre.
 - c. Staff from the Creative Economy Department engaged Cobalt Connects to assess the economic and community benefits related to the establishment of a modern Auditorium and Events Centre at the site of Fisher Auditorium.

Methodology

13. In order to determine the level of community support for the acquisition of the W.A. Fisher Auditorium, an assessment of the current performing arts community was undertaken to look at capacity for growth in programming, infrastructure and technical requirements to meet the growth objectives, and the associated community and economic benefits of the facility. These elements were determined as necessary for assessing potential for a community campaign and alignment with grant funding programs.
14. The Creative Economy Department hired Cobalt Connects, a Hamilton based not-for-profit firm with extensive experience in development of municipal cultural programs and assets, based on assessment methodologies developed in collaboration with researchers at McMaster University. The firm was directed to assess the community capacity for, and economic benefits of, a large performing arts and conference facility in the west end of Barrie. The firm also worked collaboratively with Lett Architects on the development of the concept for the Fisher Auditorium and Events Centre, to ensure that the technical and infrastructure needs of the cultural organizations using the space would be sufficient to support their growth and development. Cobalt Connects provided the report, attached as Appendix "A". Lett Architects provided their report, attached as Appendix "B".
15. Cobalt used several approaches to gather information from the community and commercial cultural producers, including surveys, one-on-one interviews, and drop in consultations. Information gathered during these sessions was used by Lett Architects in the development of a conceptual design for the Fisher Auditorium and Events Centre. The concepts were shared back with the community organizations and producers in a collaborative working session to determine overall utilization, capacity of the organizations to deliver increased programming, the degree of collaboration between the arts organizations, as well as the potential increase in programming and revenue generation opportunities. The firm reviewed and mapped the existing cultural assets and nodes in the immediate downtown area, an important consideration for the overall success of the proposed facility.
16. For assessing the reach and growth potential of existing cultural programming, Cobalt analysed ticket sales data by postal code from the Mady and Georgian Theatres for the past three years.

17. Cobalt used the Tourism Regional Economic Impact Model (TREIM) developed by the Province of Ontario (and considered the standard for municipal planning purposes), to determine the economic impact of the proposed facility both in terms of performing arts and the proposed conference centre.

Design Considerations & Constraints

18. The following elements were key design considerations for the Fisher Auditorium and Performing Arts Centre, as referenced in the Lett Architects report, Appendix B:
 - a. Stage that accommodates a symphony orchestra; configurable to the needs of other performing groups;
 - b. Ability to divide the space to accommodate smaller performances;
 - c. Rehearsal space;
 - d. Good lines of sight for traditional performances but also for film screenings and presentations;
 - e. Storage;
 - f. Conferences and event space;
 - g. Ability to operate components individually; and,
 - h. Technology infrastructure to support high quality sound and lighting requirements, for performances, film screenings, broadcasting/livestreaming, and gaming/e-sports usages
19. The conceptual design and intended uses have been developed independently of an assessment of parking. This is a critical constraint that would need additional investigation, to ensure that solutions are available to support the intended usage levels of the facility, and which will be addressed in a Staff Report from Planning and Buildings scheduled for October 16th, 2017.

Findings - Capacity

20. Cobalt's research assessed the health of the local arts organizations and their ability to program the proposed space. Although local organizations are currently pre-occupied with maintaining the health of their organizations, with little time to build overall capacity or to expand audience beyond Barrie and the immediate area, the groups confirmed that a common facility such as the proposed Fisher Auditorium and Events Centre would provide them with increased opportunities and capacity to grow their programming and audience, particularly with a shared operating model to manage common functions such as marketing, scheduling and administration. A detailed breakdown of the anticipated utilization of the new facility is included in Fisher Auditorium Phase II report by Cobalt Connects, Appendix "C".
21. There are several organizations that are currently at risk of losing their home venues, such as the Huronia Symphony Orchestra and the Barrie Concert Series. These organizations have been presenting in local churches, but these spaces are now at risk because the churches are either renovating their facilities with the intent of creating an improved worship space (rather than a performance space), or they are selling their church to move to a new location. The Georgian Theatre does not have the space to accommodate the orchestra needs, and the Mady does not have the capacity for the audience sizes or space required to accommodate the full orchestra.
22. The Barrie Film Festival is another organization that is at risk of losing its home venue due to planned developments.
23. The Georgian Theatre is not a viable alternative for any of these organizations due to its aged infrastructure, restrictions on parking, lack of an orchestra pit, storage size limitations, and distance from amenities. Loss of these productions in the City of Barrie would have a negative impact on the City's cultural community, quality of place, and the direct and induced links to overall economic health.

24. The primary groups consulted, including the Barrie Film Festival, Huronia Symphony Orchestra, Theatre by the Bay and Talk is Free Theatre, all indicated that should the Fisher Auditorium and Performing Arts Centre be developed, they would each make it their “home” venue, using it for housing staff and volunteers, and delivering productions. They also indicated interest in a collaborative model for the operation of the facility.
25. The largest utilization of the Georgian Theatre in aggregate comes from the dance schools. This is directly related to the growth of the community in terms of the numbers of new dance schools and the resulting increased demand for dance recital space. Georgian Theatre is not able to accommodate all of the current groups, with access to the facility being assigned based on a lottery system. The proposed Fisher Auditorium and Events Centre would be able to accommodate increased number of dance recitals using the large rehearsal room in addition to the extended events space.

Findings – Audience Development

26. Through analysis of ticket sales data, Cobalt determined that over 90% of existing theatre audience are from Barrie and the immediate local region, within 50 km of the City. Given the proximity to the City, this audience is less likely to spend additional money on associated entertainment such as hotels, restaurants and shops. In addition, by focusing on a mostly-regional audience, the City does not have the opportunity to realize the numerous talent and perception based economic benefits associated with a wider audience base coming to Barrie and experiencing what the City has to offer. This is an indication of the need for diversification of programming that could be supported through the existence of a larger venue that can accommodate the kinds of performances that would attract those audiences.
27. Cobalt also met with local music promoter/producer Chas Hay, Steve Butler of Paguin Entertainment and Mike Renaud of Hidden Pony Records to determine if they would present large touring shows in the space. They noted that aging equipment and infrastructure at the Georgian Theatre, the impact of parking fees on audience attainment, the lack of the ability to serve alcohol, and the missing connection to local restaurants or the downtown following a show, has resulted in promoters/producers passing over our community when booking exciting shows. Originally, these professional producers booked 15 shows annually at the Georgian Theatre. That has declined over the years to only 3 productions annually. Through consultations, the groups identified that they would bring 15+ productions to Barrie if the appropriately sized and equipped venue was made available which provided the desired audience experience, namely, proximity to downtown amenities.
28. All of the organizations consulted highlighted the importance of providing an overall “experience” for the audience, including easy access to complementary activities when seeing a show: dining, shopping, hotels, walking trails, ease of parking and access to other cultural facilities. The organizations agreed that the proposed concept for the Fisher Auditorium and Events Centre would provide the type of experience that would drive audience engagement/loyalty and new audiences.

Findings - Infrastructure

29. All of the local arts organizations noted that their highest priority for growth was a large, accessible, affordable performance venue with appropriate technology infrastructure, including lighting, sound equipment and proper acoustics that would allow them to present quality shows in support of traditional performing arts, music, and film. There are significant technical and capacity limitations in the Mady and Georgian facilities that mean some programming is not possible in those spaces, and in many cases, programming is more expensive because outside equipment must be rented and brought in.

30. Through a previous community consultation process, the lack of access to affordable rehearsal space was identified as a primary need for music, performing arts and dance organizations.
31. Dance recitals comprise the largest percentage of use on aggregate of the Georgian Theatre, and there is more demand than availability for the space in the months of May and June. The proposed Fisher Auditorium and Events Centre would provide 2 venues for dance recitals – the main auditorium and the events space, providing greater accommodation of the growing community in Barrie.

ANALYSIS

Georgian Theatre

32. The Georgian Theatre has been operated by the City since 2009, in a partnership agreement with Georgian College. The current lease agreement expired in 2014, and has been rolling over on a month-to-month basis.
33. The Georgian Theatre is a dated facility, and has not been significantly upgraded since it was built in the 1970's. The theatre has lost its aesthetic appeal and the technical capacity is often insufficient such that renters have to pay to bring-in external 3rd party equipment for their productions, which impacts their profitability. For this reason, fewer rental clients choose to program in this space, including producers that present shows that attract large audiences.
34. Since the Georgian theatre is not located in the downtown core, there is no opportunity to package "dinner and a show", or to create significant spin off economic value from the theatre. There are limited opportunities for bussing patrons to a show at the theatre, which further limits tourism initiatives.
35. The College and the City jointly agreed to each allocate \$250,000 towards a Cultural Spaces Grant, in order to undertake much needed improvements in the space (seating, carpeting, some technology but not to industry standards). However, with a total budget of \$1M (assuming a maximum of 50% from the grant program), it is still insufficient to address the pressing needs for infrastructure improvements in the facility, or the need to meet industry standards in terms of core technologies. Further, the Cultural Spaces grant program would require that the City commit to a 10 year lease in the space, in order to be considered for the grant funding.
36. As the College accounts for 6% of the total usage of the Theatre, it is not a primary infrastructure priority for the institution. Georgian College has indicated they would be willing to utilize the proposed Fisher Auditorium and Events Centre for their needs, so that the College can re-purpose the Georgian Theatre building for other uses. There is a need for a long term, stable venue supporting the City's cultural objectives.
37. There is a possibility that the existing Georgian Theatre will be re-purposed to meet the needs of the College, which would remove the only large capacity performing arts centre in the City of Barrie. A future new build of a Performing Arts Theatre is likely to cost three times as much as the projected budget for the Fisher Auditorium renovation, based on comparable budgets from other municipalities for similar projects.

Location

38. This Fisher project provides City Council with an opportunity to build a creative district on the west end of Dunlop Street, and to link it to the cultural nodes in the downtown area including the Mady Centre, the waterfront, Meridian Square, the MacLaren Art Centre, and proposed projects including the Permanent Market and the Sandbox Entrepreneurship Centre.

39. The rise of the creative community has altered the way cities compete, and leading economists note that communities need to create environments that include old buildings and authentic neighbourhoods as a lack of these puts us at a disadvantage when it comes to attracting top talent. (Florida, *The Rise of the Creative Class*, p.283). W.A. Fisher is part of Central Collegiate, which has a large group of alumni and other followers that would support a re-imagination of the site for a greater purpose.
40. Cobalt wrote that “77% of Canadians agree or strongly agree that arts and heritage experiences help them to feel part of their local community”. Not only does the arts make you feel a part of a bigger picture, but there is significant research that demonstrates the increased benefits to physical and mental health from participating in arts activities. W.A. Fisher could create a cultural hub that would work with non-traditional partners such as CAMH, YMCA and Saint Elizabeth’s to drive a more holistic approach to wellness in Barrie. This renovation could tie the benefits of the arts to the social, physical and mental health benefits of the population in our downtown and to the broader community.
41. With the recent move of Georgian College’s School of Design and Visual Art there is an opportunity to add to the overall creative and cultural development of the downtown (Building A Creative Future, City of Barrie, 2006 p.44). The insertion of 250+ students in the downtown core will provide an opportunity to offer internships and increased learning opportunities at the Mady Centre and at W.A. Fisher should the project move forward. These venues will give the students a chance for a “hands on” learning experience and further enhance the City’s relationship with the College. It will also enable a strong fit with the growing culture of entrepreneurship and creative industries in the downtown.

Capital and Operating Costs

42. There are two options for construction: one is the basic model as designed by Lett. The second option provided by Lett includes an extended event space that would allow for higher capacity events to be held in the facility.
43. The construction costs for the basic design for the Fisher Auditorium and Events Centre have been estimated by Lett Architects to be \$17.85 M. The increase from the original estimate provided to Council is due to:
 - a. Technology infrastructure to ensure the facility will have industry-standard sound, lighting, projection, broadcast and acoustics, meeting the needs of the primary targeted user groups (corporate, theatrical, music, E sports and event) as identified in the Cobalt report.
 - b. Incremental costs for interior fit-up and FF & E allowance, which were not included in the original estimate.
 - c. Two years of cost escalation to account for increased cost of materials over the course of the project.
 - d. Contingency of 10%.
44. The capital costs for the first design option, with smaller event space, is estimated to be \$17.3 M, supporting 650 people standing and 250+ seated. Construction of the extended events/conference space would increase the overall capital cost to \$19.3M, and would support the capacities of 1,110 people standing or 456 guests seated in the events centre space.

Fisher Auditorium				Notes
Item	Units	Unit Price	Cost	Event Room
Renovation of Existing Auditorium	22900	\$400.00	\$9,160,000.00	
Newly Constructed Space	3200	\$500.00	\$1,600,000.00	
Event Center Extension	2900	\$500.00		1,450,000.00
Total Hard Costs			\$10,760,000.00	Based on the new construction Sq.Ft. costing model provided
Design		10%	\$1,076,000.00	
Contingency		10%	\$1,183,600.00	
Abatement Allowance	1	n/a	\$500,000.00	
Site Development Allowance	1	n/a	\$500,000.00	Event room would allow seating area of 56 tables for 456 guest or 1100 person standing room
Theatrical & Technical Equipment	1	n/a	\$2,500,000.00	
Theatre Seating Replacement	650	\$500.00	\$325,000.00	
Furnishings, Fixtures & Equipment Allowance	1	n/a	\$500,000.00	
Landscaping	1	n/a		
Ashphalt and Curbing	1	n/a		
Security and IT	1	n/a	\$200,000.00	
Total Costs			\$6,784,600.00	
HST Impact on Budget	1.76%	\$17,544,600.00	\$308,784.96	
Total Project Costs			\$17,853,384.96	19,303,384.96

45. A preliminary three year business model for the proposed Fisher Auditorium and Events Centre is included in Cobalt's Report – Phase II (Appendix C), and three year financial projections are included in section 48 (below).

Risk Assessment

46. The capital and operating risks in the pro forma business plan are identified as:

Capital

- I) Not securing the targets sponsorship level – which would increase the contribution required from the City of Barrie.
- II) Not successfully securing the grant funding for the development – which would increase the capital contribution required from the City of Barrie.

Operating

- I) Conservative estimates were used for rental revenues in the main space, aligned to current levels at the Georgian Theatre, as well as the Rehearsal Hall and Lounge. However because these elements are net new additions to the City's cultural inventory, there is a risk that the targeted rental revenues would not be achieved. The impact would be increased operating costs to the City.
- II) Having a collaborative not-for-profit organization oversee the programming and general operations of the facility will introduce cost savings to the City for staffing, as well as the opportunity to secure new grant funding not available to municipalities. However, should some of the stakeholder groups elect not to participate in the collaborative group, not be able to commit to the targeted level of programming, or meet the contribution models for staffing and marketing, there would be a need for increased operational funding from the City of Barrie.
- III) The operating model assumes TMI to the City of \$7-\$9/SF. This basis may not be accurate, pending final designs and assessment from Facilities. The impact would be an overall increase in the operational costs, which would require additional funding from the City.
- IV) The business model assumes successfully securing operational grants from Trillium and OAC. There is strong alignment with the targeted grants and the proposed operating model, however, there is a risk that the funding would not be secured. If no other grants were secured in the first two years, there would be a deficit of approximately \$200,000. The overall risk could be mitigated by pursuing other grant funding options available that are uniquely offered by the Federal Government to Arts Services Organizations. Based on the conceptual model

developed for this report, there is a strong potential for the stakeholders to form an Arts Services Organization and access the associated funding.

- V) The business model estimates usage levels that will drive revenues from rentals, box office fees, staff bill-backs and concession sales. If the targeted usage levels were not achieved, the revenues from these assets will be lower, potentially requiring additional funding from the City.
47. Should General Committee elect to proceed with the Fisher Auditorium and Events Centre, a detailed business plan and risk analysis would need to be completed. A collaborative operating model with the stakeholder groups would also need to be developed and approved.
48. Three year financial projections are as follows:

REVENUE

Rental		YEAR ONE	YEAR TWO	YEAR THREE	
Main Space	Local - Arts	\$ 120,000.00	\$ 126,000.00	\$ 132,300.00	\$100/hr
	Non-Local - Arts	\$ 15,360.00	\$ 19,200.00	\$ 23,040.00	\$120/hr
	Local Business	\$ 3,200.00	\$ 4,800.00	\$ 6,400.00	\$100/hr
	Local Social				
Rehearsal Hall	Local - Arts	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$15/hr
	Non-Local - Arts	\$ 3,200.00	\$ 4,000.00	\$ 5,000.00	\$20/hr
	Local Business	\$ -	\$ -	\$ -	\$20/hr
	Local Social	\$ 960.00	\$ 1,600.00	\$ 1,920.00	\$20/hr
Lounge	Local - Arts	\$ 35,000.00	\$ 35,000.00	\$ 40,000.00	\$60/hr
	Non-Local - Arts	\$ 3,200.00	\$ 4,800.00	\$ 6,400.00	\$100/hr
	Local Business	\$ 5,760.00	\$ 10,080.00	\$ 17,280.00	\$60/hr
	Local Social	\$ 12,000.00	\$ 18,000.00	\$ 24,000.00	\$100/hr
TOTAL RENTAL REVENUE		\$ 218,680.00	\$ 244,480.00	\$ 278,390.00	

Fees and Charge Backs

Catering Surcharge	\$1.00 per person	\$ 7,700.00	\$ 12,250.00	\$ 18,200.00
CIF Ticket Charge	\$0.50 - \$1.50 per As per client	\$ 58,500.00	\$ 64,350.00	\$ 67,567.50
Technical Staff Bill Back	usage As per client	\$ 106,210.00	\$ 114,881.00	\$ 120,135.05
Box Office Staff Bill Back	usage Net of	\$ 31,860.00	\$ 35,046.00	\$ 36,097.38
Net Concession Sales	service/supply	\$ 75,000.00	\$ 82,500.00	\$ 86,625.00
TOTAL FEES		\$ 279,270.00	\$ 309,027.00	\$ 328,624.93

Ticket Sales

Over \$10	35000	\$1,225,000.00	\$ 1,347,500.00	\$ 1,414,875.00
\$10/ Under	12000	\$ 120,000.00	\$ 132,000.00	\$ 138,600.00
TOTAL TICKET SALES		\$1,345,000.00	\$ 1,479,500.00	\$ 1,553,475.00

Sponsorship & Grants

Contributions by Stakeholders				
% of marketing & contribution		\$ 130,000.00	\$ 115,000.00	\$ 111,250.00
Collaborative Grants		\$ 250,000.00	\$ 250,000.00	\$ 25,000.00



Various (Trillium, OAC)

Municipal Contribution	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Operational Sponsors / Advertising On-screen and in-house advertising, season sponsors, etc.	\$ 50,000.00	\$ 75,000.00	\$ 100,000.00
TOTAL GRANTS AND SPONSORS	\$ 480,000.00	\$ 490,000.00	\$ 286,250.00
TOTAL REVENUE	\$2,322,950.00	\$ 2,523,007.00	\$ 2,446,739.93

EXPENSES

Administrative

Office Supplies	General office supplies Office & Cell Phone	\$ 2,500.00	\$ 2,875.00	\$ 3,162.50
Phone	Coverage	\$ 3,240.00	\$ 3,500.00	\$ 3,500.00
Internet	Commercial Wifi	\$ 4,200.00	\$ 4,500.00	\$ 4,500.00
Administrative Capital Replacement		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	TOTAL ADMINISTRATIVE	\$ 14,940.00	\$ 15,875.00	\$ 16,162.50

Staffing

Managing Producer	FT position	\$ 80,000.00	\$ 83,200.00	\$ 85,000.00
Technical Director	FT position	\$ 65,000.00	\$ 67,600.00	\$ 70,000.00
PT Technical Staff	Casual position	\$ 70,200.00	\$ 77,220.00	\$ 81,081.00
Marketing Manager	FT position	\$ 60,000.00	\$ 62,400.00	\$ 64,272.00
Facility Manager	FT position	\$ 50,000.00	\$ 52,000.00	\$ 53,560.00
PT Hospitality Staff – Via Food Provider				
Box Office Manager	Tourism Barrie	\$ 26,900.00	\$ 29,590.00	\$ 31,069.50
PT Box Office Staff	Casual position	\$ 31,860.00	\$ 35,046.00	\$ 36,097.38
Cleaning	Contract service	\$ 45,000.00	\$ 46,350.00	\$ 47,740.50
Benefits		\$ 21,600.00	\$ 22,464.00	\$ 23,137.92
	TOTAL STAFFING	\$ 450,560.00	\$ 475,870.00	\$ 491,958.30

Marketing

Website		\$ 20,000.00	\$ 5,000.00	\$ 5,000.00
Social Media Paid		\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Advertising		\$ 40,000.00	\$ 35,000.00	\$ 30,000.00
Digital		\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Print Materials		\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Mailing		\$ 30,000.00	\$ 30,000.00	\$ 30,000.00



TOTAL MARKETING		\$ 140,000.00	\$ 120,000.00	\$ 115,000.00
Fee & Pay Outs				
CIF Payment	To City of Barrie	\$ 58,500.00	\$ 64,350.00	\$ 67,567.50
Box Office Fees	4.5% of sales	\$ 60,525.00	\$ 66,577.50	\$ 69,906.38
Box Office PayOut	Sales back to Presenter	\$1,284,475.00	\$ 1,412,922.50	\$ 1,483,568.63
	TOTAL FEES	\$1,403,500.00	\$ 1,543,850.00	\$ 1,621,042.50
Operating	TMI (\$7-9/SF)	\$ 175,000.00	\$ 200,000.00	\$ 225,000.00
		\$2,184,000.00	\$ 2,355,595.00	\$ 2,469,163.30
	Surplus (Deficit)	\$ 138,950.00	\$ 167,412.00	\$ (22,423.37)
	Cumulative	\$ 138,950.00	\$ 306,362.00	\$ 283,938.63

49. The first year revenues for the Fisher Auditorium and Event Centre are estimated to be \$2,322,950 against a first year operating cost of \$2,184,100. This is assuming conservative rental revenues and programming on par with current baselines for Georgian College, successfully securing Trillium grants (\$500,000 out of maximum of \$750,000), and contributions from stakeholder organizations. Over the following two years, the amount of rental revenues increases as audience and programming grows, with a sunset of initial grant funding in Year 3.
50. A detailed business analysis would still need to be developed, should General Committee decide to proceed. A pro forma business plan for the Fisher Auditorium and Events Centre is included in Appendix C.
51. There is a potential to reduce the overall operating costs for the City of Barrie through the establishment of a joint venture structure with a coalition of stakeholder groups, using the new facility as their main base of operations. The benefits of this model include:
 - a. Leveraging the existing staffing budgets of the community organizations that would be "Resident" at the Fisher Auditorium and Events Centre;
 - b. Leveraging the large pool of volunteers that the community organizations have access to, in order to reduce overall operating costs;
 - c. An umbrella not-for-profit organization can pursue operating funding programs from various granting agencies, which are not available to municipalities;
 - d. With the large events centre space, there is a potential to outsource the event-specific management functions to a third party events organization.

Programming, Audience and Revenues

52. It was assumed that all of the programming at Georgian would be moved over, since the City would not operate both facilities at the same time. A minor amount of programming currently held at the Mady would be moved over to the new facility, but the smaller/newer productions designed for more intimate settings would still be housed at the Mady. The audience and associated revenues from professional producers would increase from the current level of 3 productions/year (down from an original 15/year several years ago), to more than 15/year with the appropriate technology infrastructure, capacity and user experience.

53. There is an estimated increase of 37% in audience with the new facility based on the reviews done with the stakeholder groups.
54. There is an increase in overall revenues from programming – the projected revenue amount is \$1.3M. Current revenues at Georgian are \$130k for rental revenues and \$40k in cost recoveries. The Mady has revenues of \$70k and cost recoveries of approximately \$15k. Overall revenues for the theatres currently are \$255k vs. a projected \$1.3M in the new facility.
55. Based on the utilization numbers compiled from consultations with community organizations and producers regarding their programming growth in the proposed Fisher Auditorium and Events Centre, the revenues related to the operations of the theatre are projected to be \$1.3 M. Additional analysis will be conducted should Council elect to proceed with the Fisher Auditorium and Events Centre. It is important to note that a primary measurement of the ROI for the facility will be the associated economic and community benefits of the facility. The TREIM model represents a framework that can be used to track progress and impact of the facility, beyond revenues and expenses.

Economic Impact

56. Using the Tourism Regional Economic Impact Model (TREIM) methodology, an analysis was conducted on the projected economic impact of the proposed Fisher Auditorium and Events Centre. The baseline was benchmarked to the output of TREIM for Georgian College, based on 2016 data. The full analysis is included in the W.A Fisher Auditorium Study by Cobalt Connects – Appendix A.

Spending Category	Current Georgian Impact	Fisher Auditorium and Events Centre Impact
Public Transportation	\$95,283	\$220,093
Private Transportation – Rental	\$923	\$21,627
Private Transportation – Operation	\$506,235	\$854,250
Local Transportation	\$2,192	\$15,687
Accommodation	\$43,478	\$200,333
Food & Beverage – At Stores	\$84,499	\$227,425
Food & Beverage – At Restaurants/Bars	\$693,595	\$1,201,872
Recreation & Entertainment	\$737,278	\$1,153,680
Retail – Clothing	\$41,812	\$137,080
Retail – Other	\$35,523	\$66,987
Total	\$2,240,819	\$4,099,033

57. The analysis projects a 37.5% net increase in overall audience for the Fisher Auditorium, as compared to the current Audience for Georgian College of 31,820. This will translate into a net

increase of 790 stay nights at local hotels, compared to the current performance of Georgian Theatre, which is 375 stay nights. The projected usage of restaurants cannot be directly compared to the Georgian Theatre baseline since it is not linked to the downtown area. However, the TREIM model projects that the Fisher Auditorium and Events Centre would create more than 32,000 hours of food service employment on an annual basis.

Community Capacity for Fundraising Campaign for Total cost of Project

58. Through consultations with stakeholder groups and professional fundraisers, the feedback received was that a community fundraising and sponsorship campaign would raise a portion, but not 100%, of the total project costs. The feedback from the consultations is that seed funding would be required from the municipality, not only to support the overall campaign, but also to pursue grant funding programs (typically matching grants are available for capital projects). It was estimated that a target of \$6 - \$8M could be achievable, and that a funding model similar to that used for Meridian Square could be effective.
59. In order to be successful, there would need to be a coordinated campaign that engaged key stakeholders, and would utilize the services of a professional fundraiser.
60. A high level approach to raising sponsorship funding could include the following components:
- a. Two-year campaign
 - b. Engagement with the City's formal Sponsorship Program
 - c. Leveraging naming rights of the overall facility and major features:

ii. Overall Centre naming rights	\$2,000,000
iii. Events Centre naming rights	\$1,000,000
iv. Lobby and/or Lounge	\$ 500,000
v. Stage	\$ 250,000
vi. Seats (650 @ 1,500 each)	\$ 957,000
vii. Walk of Fame/Other	\$ 500,000
Total:	\$5,207,000
 - d. Crowdfunding campaign – broad community \$ 500,000
 - e. Fundraising events \$ 500,000
- Total: \$6,207,000

Grant Funding for Large Capital Projects

61. A detailed review of available funding programs for cultural facilities was conducted. The findings are included in the W.A. Fisher Auditorium Study by Cobalt Connects, in Appendix A. The two largest sources of grant funding include:
- a. Cultural Spaces Grant from the Government of Canada: Provides up to a maximum of \$15M per project on a matching basis. Typically the funding levels average 37% of total project costs, up to a maximum of 50%. On this basis, Cultural Spaces could provide an estimated \$7,030,000 towards the project cost, if the project was approved.
 - b. Trillium Foundation Funding: Provides infrastructure and capital costs for cultural facilities, particularly where demonstrated need and broad stakeholder engagement with arts organizations. The funding is provided on a matching basis, up to \$150,000.

Other options for grant funding could include private foundations, but these are typically oriented to applications from not for profit organizations rather than municipalities.

62. The validation of the proposed concept by the key stakeholder groups (local arts organizations that would form the joint venture/coalition) yielded an agreement from those organizations to the following aspects of a community campaign:

- a. Each would provide a board member to sit on a Fundraising Committee, to ensure full engagement of their respective members and audience, as well as alignment with their existing fundraising campaigns.
- b. Some organizations could bring existing equipment with them into the Fisher Auditorium and Event Centre, so as to align with the needs of the overall facility, thereby reducing the capital requirement by approximately \$250,000.
- c. The organizations would be able to pursue operating and programming funding at higher scales than they do currently, if they were to apply as a collaborative group and in relation to having a shared facility such as Fisher Auditorium and Event Centre.

Funding Options

63. Given the need for a combination of seed funding, grant funding and community fundraising efforts, further investigation will need to be undertaken regarding the potential for the City to contribute towards the overall cost of the project:

Cultural Spaces Fund	\$7,000,000
Fundraising Campaign	\$6,207,000
Equipment Donation	\$ 500,000
Re-allocation of Georgian Theatre \$	\$ 250,000 (already approved)
City of Barrie Contribution	\$5,343,000

64. With regards to the seed funding required from the City of Barrie, there is a potential to allocate Alectra dividends towards the initiative. These are estimated to be \$5M in both 2018 and 2019, with the 2018 dividend being recommended by Finance to be paid back to the City of Barrie for the share conversion. This would potentially make \$5M available in 2019 for the project.

Timelines

65. It is anticipated that should General Committee decide to move forward with the Fisher Auditorium and Events Centre initiative, pending an agreement with HIP Developments in regards to the subject lands, the timeline for the project would assume full design, project plans, operational model with stakeholder groups, design and launch of a sponsorship campaign and associated committee, and grant applications being developed through 2018. Construction would begin in 2019 pending no delays in review processes, which could move the start date to 2020.
66. The process of establishing the collaborative operating model and joint venture could begin in 2018 and in advance of actual construction, should General Council elect to proceed. The groups can secure Trillium funding of \$75k annually, which would provide for the costs of registering the not-for-profit entity, establishing governance, undertaking collective marketing and producing some events in order to fine tune the operating model.

ENVIRONMENTAL MATTERS

67. The following environmental matters have been considered in the development of the recommendation:
- a. The design of the concept for the Fisher Auditorium and Events Centre has been developed in conjunction with Planning and Building to conform to site issues pertaining to flood plain and water channels.
 - b. Consistent with the facilities of this era, the Fisher Theatre is known to contain asbestos. An allowance has been included in the redevelopment budget for abatement.

ALTERNATIVES

68. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could decide to not proceed with the investigation of the potential acquisition of the W.A. Fisher auditorium and continue with the status quo.

This alternative is not recommended, as the only other large performance space in the City is in a state of decline, impacting the ability to attract high quality performances and to grow audiences beyond local and regional ones. The City of Barrie will never own the Georgian Theatre, nor will it ever have the flexibility to program or market the facility at the standard of the industry. The current model does not provide the arts community with the ability to grow the sector, as they are based in an aged facility that is in dire need of significant repairs. There is little opportunity to create a “theatre experience” in Georgian College in order to support audience development, programming growth nor to drive economic related benefits. There would be no facility that the major cultural groups in need of a home base could effectively call their home, raising the risk of them locating outside the City.

If City Council decides not to develop the W.A. Fisher site for a performance and conference venue, it is a missed opportunity in creating an attractive gateway into Barrie and an entertainment district for the city.

Alternative #2

General Committee could decide to proceed with further investigation of the Fisher Auditorium and Events Centre on the smaller scale, without the extended floor space for large capacity events. This would reduce the cost of the overall project, but would also significantly decrease the revenue generation potential of the facility. The relative cost increase would drive a higher ROI for the City.

This alternative is not recommended as it would compromise the revenue generation potential of the new facility, impacting the prospects for long term sustainability. It would also leave in place the current situation of the City not having a large capacity events and conference centre, a missing element in the City’s economic development plans.

Alternative #3

General Committee could direct staff to not proceed with further investigations regarding sponsorship opportunities, seed funding and operating partnership models, until a decision has been reached regarding a potential agreement with HIP relate to the sale or purchase of land for the Fisher Auditorium and Events Centre.

This alternative is not recommended as there will be a short amount of time to complete these elements once Council has made its decision. By directing staff to continue forward with these investigations, the City will not lose any planning time.

FINANCIAL

69. The cost analysis was prepared with the original assumption that the required funding would be raised 100% from a community fundraising campaign. As identified, this is not a likely scenario given the need for seed funding for pursuing grant funding as well as spurring a broad community

campaign. The Department of Finance would need to undertake an analysis of options for contributions from the City, should General Committee decide to approve the next phase of analysis for this project.

70. The City of Barrie's current and forecasted capital plan has significant commitments, including the recently approved First Responders Campus, forecasted commitments related to the Harvie Road Crossing and other growth commitments, as well as a back log of renewal works. Overall, capital expenditures need to be carefully managed relative to overall revenues.
71. This project was not included in the City's 2017 Capital Plan. As a result, regardless if the project is funded fully by the City or partially through grants or donations. If approved by Council, City staff will need to identify projects of the full equivalent value that can be deferred or removed from the 2018 Capital Plan. From a financial perspective, taking this approach will help to keep capital expenditures more closely aligned with overall revenues, an important measurement for credit rating agencies.

LINKAGE TO 2014-2018 STRATEGIC PLAN

72. The recommendations included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
 - Vibrant Business Environment
 - Responsible Spending
 - Inclusive Community
 - Well Planned Transportation
73. Having a large capacity venue in the downtown core will provide significant economic benefits to the community, including economic and tourism related benefits, and the ability to host large conferences and tournaments that is not currently possible.
74. Providing the seed funding for the project will bring significant grant funding to the community for the build of the facility.
75. Investing in the west end of Dunlop will yield ROIs similar to those from investments in the east Dunlop corridor, increasing property values and taxes paid to the City.
76. By engaging key stakeholder groups in the fundraising and operations of the facility, there will be broad participation from across the City of Barrie. The City can ensure the facility will allocate time and resources to support diverse cultural groups, emerging artists and youth.
77. By locating a major cultural hub in the downtown core and moving current programming from Georgian College, increased usage of transit infrastructure will result from concentration of the entertainment district.

- Appendices
- Appendix A – Cobalt Connects Report Phase I
 - Appendix B – Lett Architects Report
 - Appendix C – Cobalt Connects Report Phase II
 - Appendix D – Letters of Support