

Max Reimer's response to City's assistance of the Vancouver Playhouse Theatre Company, September 2011

Vancouver Playhouse gets "bail out" of \$1M

"In June, council unanimously agreed to forgive the city debt of \$426,000 and provide another \$400,000 to help the society pay off non-city-related bills. In a previous in-camera meeting in April, council had given the Playhouse another \$100,000 to pay bills." Jeff Lee, *Vancouver Sun*, September 16, 2011

This is not the forum to address those who would deny all municipal arts funding. That is a larger question that affects not just the Playhouse, but Vancouver's entire vibrant cultural sector. I will say, however, the Playhouse's situation notwithstanding, since returning to Vancouver in 2008, I have witnessed both the current and former municipal governments supporting the arts sector with funding essential to the survival of our many arts organizations.

In 1962, the City of Vancouver encouraged the formation of a premier major regional professional theatre company to animate its downtown theatre with social, cultural and educational activity. The City adapted a rental deal to the purpose but it quickly became prohibitive and limiting. Even so, the Vancouver Playhouse Theatre Company went on to produce thousands of performances of quality theatre to hundreds of thousands of patrons. The Playhouse creatively overcame its awkward business model to become the West Coast regional theatre where a great many of Canada's top theatre artists honed their craft, much to the benefit of a growing local and national theatre scene. Now, the Vancouver Playhouse Theatre Company enriches the lives of the people of Vancouver at the heart of our city and is a nationally respected arts institution that stands for quality in large theatre production.

Municipal Operating Assistance

Since 1962, long before municipal peer review, long before any of today's hits and flops, and long before this municipal government or the ones before it, the Playhouse has been the only established arts organization in Vancouver not ever assisted with an annual municipal operating grant. The City Council's actions do not elevate us to special status but rather finally allow us to sit at the table as an equal with the rest of the organizations.

The difficulty in correcting an ongoing process is that in the time it takes to resolve the inequalities, the meter keeps running. Even though the work has been going on for three years, it is presented to Council at one sitting. At once, the past, present and future amounts are added together in a way that they aren't for annual recipients. Over that same period those companies received three annual operating grants and were free of three sets of extraordinary bills that if added together, would also be difficult to deal with at one sitting.

By giving us \$100,000 in lieu of operating assistance in April, after 48 years, the City begins to level the playing field. Appendix A of the 2011 (2010) Cultural Grants Allocations for Operating Assistance provides a list of the over \$5.5M given to 96 arts

Operating, Major Exhibiting Institutions Organization Name	2011 Recomm.	2010 Grant
Alliance for Arts & Culture Soc.	45,000	45,000
Arts Club Of Vancouver Theatre Soc.	155,000	155,000
ArtSpeak Gallery Soc.	29,000	27,000
Axis Theatre Soc.	34,000	34,000
Ballet B.C. (Pacific Ballet B.C. Soc.)	93,000	93,000
Bard on the Beach Theatre Soc.	22,000	22,000
Battery Opera Performing Arts Soc.	13,000	10,500
Boca Del Lupo Theatre Soc.	27,000	27,000
Canadian Music Centre - B.C.	22,000	17,000
Carousel Theatre Soc.	30,000	30,000
Centre culturel francophone de Vancouver	18,000	16,000
Chor Leoni Men's Choir	17,000	16,500
Cineworks Independent Filmmakers Soc.	36,000	34,000
Co. Erasga Dance Soc.	10,000	7,500
Coastal Jazz and Blues Soc.	85,000	82,500
Contemporary Art Gallery Soc.	67,000	65,000
Craft Council of B.C.	13,000	13,000
DanceHouse (Seismic Shift Arts Soc.)	20,000	20,000
Dancing on the Edge Festival Soc.	25,000	25,000
DOXA Documentary Film and Video Festival	17,000	15,000
Early Music Vancouver (Van. Soc. for Early Music)	34,000	30,500
EDAM Performing Arts Soc.	20,000	20,000
Electric Company Theatre Soc.	35,000	35,000
Elektra Women's Choir	13,500	13,500
Firehall Theatre Soc.	70,000	65,000
Flamenco Rosario (R Ancer Flamenco Arts Soc.)	10,000	10,000
Full Circle: First Nations Performance Soc.	11,000	11,000
Gallery Gachet Soc.	19,000	19,000
Greater Van. Professional Theatre Alliance	6,500	6,500
Green Thumb Theatre for Young People	58,000	55,000
grunt gallery (Visible Arts Soc.)	35,000	33,000
Hard Rubber New Music Soc.	8,000	8,000
Headlines Theatre (Theatre for Living Soc.)	24,000	22,000
Joe Ink Performance Soc.	15,000	15,000
Karen Jamieson Dance Soc.	13,000	10,000
Kidd Pivot Performing Arts Soc.	24,000	24,000
Kokoro Dance Theatre Soc.	17,000	16,000
Leaky Heaven Performance Soc.	17,000	17,000
Malaspina Printmakers Soc.	13,000	13,000
Mascall Dance Soc.	11,000	11,000
MOVE: the company (Movement Dance Prod Soc.)	0	2,000
Music in the Morning Concert Soc.	20,000	20,000
Musica Intima Soc.	21,000	19,000
Native Daughters of B.C., Post No. 1	6,000	5,000
New Orchestra Workshop Soc.	12,000	10,000
New Performance Works Soc.	11,000	10,000
Newworld Theatre Soc.	32,000	30,000
Norman Rothstein Theatre (Van Westside Thr Soc	20,000	18,000
Or Gallery Soc.	29,000	27,700
Pacific Baroque Orchestra Soc.	19,500	19,500
Pacific Cinémathèque Pacifique	45,000	43,000
Pacific Theatre (First Pacific Theatre Soc.)	14,000	14,000
Pink Ink Theatre Productions Assn.	20,000	20,000
Pitt Gallery (For Arts & Critical Awareness)	17,500	17,500
Playwrights Theatre Centre	38,000	35,000
Powell St. Festival Soc.	18,000	16,000
Public Dreams Soc.	17,500	17,500
PuSH International Performing Arts Festival Soc.	76,000	70,000
Radix Theatre Soc.	11,000	11,000
Ruby Slippers Productions Soc.	14,000	14,000
Rumble Productions Soc.	30,000	26,000
Satellite Video Exchange Soc.	26,000	24,000
The Only Animal Theatre Soc.	12,000	12,000
Théâtre la Seizième	27,500	27,500
Theatre Replacement Soc.	22,000	20,000
Theatre Terrific Soc.	10,000	12,000
Touchstone Theatre Soc.	35,000	35,000
Turning Point Ensemble	25,000	20,000
Urban Ink Productions Soc.	14,000	14,000
Uzume Taiko Drum Group Soc.	6,000	8,000
Van. Access Artist Run Centre	13,600	12,500
Van. Cantata Soc.	18,000	17,000
Van. Centre for Contemporary Asian Art (Ctr A)	37,000	35,000
Van. Chamber Choir	18,000	16,000
Van. Chinese Instrumental Music Soc.	5,000	7,000
Van. Co-operative Radio (Community Radio Edn.)	22,000	20,000
Van. Dance Centre Soc.	73,000	73,000
Van. East Cultural Centre	110,000	110,000
Van. Folk Music Festival Soc.	80,000	80,000
Van. Fringe Festival (1st Van. Theatrespace Soc.)	40,000	38,000
Van. Intl. Children's Festival Soc.	126,500	126,500
Van. Intl. Dance Festival Soc.	23,500	22,000
Van. Intl. Film Festival Soc.	50,000	48,000
Van. Intl. Writers Festival Soc.	62,000	60,000
Van. Latin American Film Festival	14,000	11,000
Van. Moving Theatre Soc.	25,000	15,000
Van. New Music Soc.	33,000	29,000
Van. Opera Assn.	30,000	29,000
Van. Out on Screen Film Festival Soc.	27,500	25,000
Van. Out on Screen Film Festival Soc.	27,500	25,000
Van. Playhouse Theatre Company	0	
Van. Summer Festival Soc.	33,000	30,000
Van. Symphony Soc.	50,000	50,000
Vetta Chamber Music and Recital Soc.	7,000	7,000
Wen Wei Dance Soc.	19,000	18,000
Western Front Soc.	44,500	40,000
Western Theatre Conspiracy (Arts Soc.)	10,000	10,000
Sub-total OPERATING	2,852,600	2,736,200

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organizations in the last two years – with the notable exception of the Playhouse. This list includes the theatre companies referenced in articles and comments as if they do not receive municipal funding. The Playhouse wants the same access and funding as everyone else.

Nationally, each of the 10 major "A" category regional theatres, as defined by the Canadian Theatre Agreement, receives operating funding from their city. Each one, that is, except the Playhouse (source: Business for the Arts in Canada, Survey 2005-2006). Only the Playhouse of this national group received no municipal operating assistance. Finally, after 48 years, this has been corrected.

Residency at the Theatre

The previously-stated reason for excluding only the Playhouse was because the City charged and then paid itself back a very large sum each year for the Theatre Company to be a limited resident of the Vancouver Playhouse. This historically made us ineligible for operating support, although this pay out/pay back does not prohibit eight other non-theatre arts organizations from receiving an annual operating grant.

The residency of two Vancouver-owned theatres and the other two major Canadian regional theatres in municipal buildings (Theatre Calgary, and Canadian Stage in Toronto) doesn't require the city paying itself, nor does it make the companies ineligible for operating grants. The other Vancouver venues are usable year-round by the resident theatre company for \$1 per year and the city-owned venues in other major cities are provided year-round to their major regional theatre companies.

Annual City Operating Grant to 'A' Category Theatres		2008 City Grant
Arts Club Theatre, Vancouver		138,000
Canadian Stage, Toronto		789,000
Charlottetown Festival		216,000
Citadel, Edmonton		670,000
Grand Theatre, London		500,000
Manitoba Theatre Centre, Winnipeg		395,000
Theatre Calgary		307,000
Neptune Theatre, Halifax		20,000
Theatre Aquarius, Hamilton		40,000
Vancouver Playhouse		0
<small>Source: Business for the Arts, Survey 2007-2008 (CanStage 2005-2006) National Companies excluded: Stratford, Shaw, NAC</small>		
Facility Rent to City and Municipal Operating Grant		
	Pay City	And Get 2010 City Grant
Van E Cultch Ctr	\$1/yr	110,000
Firehall Thr Soc.	\$1/yr	70,000
Van. Playhouse	\$476K(in)/\$476K(out)	0
ancillary costs	\$89,000/yr	

The Vancouver Playhouse Theatre Company, on the other hand, had fixed limited use of the venue. The Theatre Company couldn't hold auditions, host play readings, or add shows at the theatre. In 2008, an added board meeting in the lobby was quoted at over \$1,700 before labour costs. Needless to say, the Theatre Company did not hold that meeting, nor did it add plays or activities at the Playhouse for decades. Not until very recently.

The old city-to-itself accounting gave rise to the untenable situation of Vancouver being the only Canadian city to additionally bill its resident regional theatre company a variety of ancillary charges for the permitted use of the theatre. These ancillary costs added up to tens of thousands of dollars each season and were attached to the ancient rent-based billing processes, such as the Playhouse bearing the costs incurred from having to strike and reset the theatre company's sets when a music group booked a concert during the middle of a theatrical run. The Playhouse's limited permission to use the Vancouver Playhouse, in stark contrast to every other resident theatre company in all other civically owned facilities in Vancouver and Canada, was more akin to the partial concession rent given non-theatre companies, non-residents, and shorter duration users.

Now we are finally able to schedule collaboratively with the music groups (who used to have priority over the Vancouver Playhouse). After 48 years the Playhouse is finally able to use more space more often, (without reducing the use of other dance and music companies) such as holding play readings in the previously-empty Recital Hall, facilitating artistic development work when the venue is otherwise empty and hosting educational activities such as DAREarts during our runs.

The billing system is being corrected, but it has taken a few years during which the City bills from doing things the old way had piled up. The \$426,000 in forgiveness of accumulated city debt catches us up retroactively.

Production Facilities

In its 48-year history, the Vancouver Playhouse Theatre Company has secured various off-site buildings to serve as shops and warehousing for scenic production, wardrobe, props, and painting, and rehearsal and office space. In July 2006, the City had conditionally allocated the Playhouse a cultural amenity (residency at a city-owned cultural space at 160 W 1st Avenue). The Playhouse was to take occupancy by now but construction was delayed, with a security

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lockdown preventing construction too near the Olympic Village and the recession requiring the developer delay construction to acquire more density. Meanwhile the Playhouse was depleting its working cash by paying commercial rent at temporary lodgings at a converted glove factory beyond the originally anticipated 18-36 month period. The company had also already paid out nearly \$250,000 in architectural and engineering costs to fit out the City's building. The Playhouse has been able to absorb some of these additional costs through operational savings, but the extended rent period and the architectural/engineering costs inflated the Playhouse's accumulated deficit.

Meanwhile, the Playhouse accommodated rehearsals, auditions, readings, administration, set building, scenic painting, wardrobe and wardrobe services for over 30 arts organizations each year at the old glove factory. Over 100 groups and artists accessed the over 10,000 square feet of props, wardrobe and set pieces warehoused there.

This spring, we re-organized our off-site leases and curtailed the cash drain of off-site facilities costs thanks to the Beedie Group, Vancouver City College, Vancouver Civic Theatres and the City of Vancouver. There was, however, a built-up cash deficiency from living under the more expensive conditions for the last four years. Even though the Playhouse was on the cusp of achieving the sustainable conditions of commensurate municipal operating assistance, affordable production facilities, and true theatre residency in 2011, the built-up cash shortage kept us from starting out on this now-level playing field. The one-time \$400,000 cash grant was needed to off-set the debt and pay bills incurred while cash was being siphoned off under the previous unsustainable capital conditions.

No large Canadian theatre company has been able to pay commercial venue rates out of operating proceeds for all of their rehearsal and production needs for any length of time. Production facilities are either already part of the theatre or they are paid for through capital campaigns with public and private assistance to ensure the company doesn't deplete its narrow operating budget. As it has done in the past, the Playhouse will again in the future embark on such a campaign for longer-term, rent-free production facilities at the amenity or elsewhere.

The City has off-set about half of the cash drained for capital in the last few years while the amenity was delayed. Other affordable facilities have been found for the time being, mostly in the private sector without future cost to either the Playhouse or the City.

Show Business

These recently-corrected adverse capital and operating conditions were systemic, historic and predate my artistic direction of the Playhouse. The conditions are not the *result* of bad show business. Quite the opposite. With extraordinarily good work and awkward business compromises, my predecessors miraculously managed to overcome the Playhouse handicap for nearly five decades.

Under my tenure, the Playhouse has been blessed with two seasons of subscription growth, dedicated board assistance, hard-won non-municipal cost savings, significant donor contributions and significant artistic and popular hits (sometimes even for the same shows!). The first Playhouse production I selected became the second highest revenue generator in our history, two of our recent productions were picked up by the National Arts Centre, and we launched two national tours. Nationally the Playhouse is a sought-after partner with a full dance card of the most prestigious large theatres in Canada. If we'd had the level playing field we now have throughout these last years, our artistic successes would have translated into business success, rather than having it go to pay extraordinary venue costs while foregoing municipal funding assistance.

I welcome the comments that my programming is too populist or esoteric, or that I do too many musicals or too few. I am encouraged by the critical commentary about my artistic choices and by discussions as to how the plays are better or worse at other theatres. This dialogue stirs healthy competition which promotes quality work, strengthens the entire sector and benefits Vancouver with choices. But my artistic work has nothing to do with the uniquely awkward business terms under which we have operated since I was attending elementary school in North Vancouver.

I thank the entire City Council, Penny Ballem and her staff for making these difficult changes. I'm happy that the Playhouse staff can now focus more on the fact that our subscription numbers continue to rise, that advance sales for *La Cage aux Folles* are way ahead and that Rex Harrington, Peter Anderson and Dean Paul Gibson are on their way home to Vancouver to rock our stage in *Tosca Cafe*.