



Academic and Cultural Arts Centre for Downtown St. Catharines:

**Niagara Centre for the Arts and
Brock University's Marilyn I. Walker School of Fine and Performing Arts**

Executive Summary

Our study finds that development of a project in downtown St. Catharines through a partnership between Brock University and the City of St. Catharines, including both a new arts centre and a new home for Brock's Marilyn I. Walker School of Fine and Performing Arts, is both feasible and desirable for both parties, within the parameters described herein. Our findings and recommendations are summarized as follows:

- The project is consistent with stated goals and master plans adopted by both parties and is essential to realizing the City's new Downtown Creative Cluster Master Plan.
- The recommended program is the product of an extensive Needs Assessment process and is intended to meet identified needs of Brock's SFPA, the existing Centre for the Arts, and the arts community. The feasibility study process builds on assessments previously undertaken by Brock and by the City, and conclusions are based on several months of programmatic and financial analysis, studies of comparable markets, meetings with individual stakeholders and with the Project Management Team, visits to existing arts venues in the region, and group meetings with both Brock and community representatives.
- There is substantial need for the project on all sides. St. Catharines is very poorly served in comparison to similar cities in Canada with respect to its existing stock of arts spaces in the City for professional and semi-professional companies alike, and even the status of existing spaces is tenuous. Brock's existing SFPA facilities are equally poorly in comparison with programs of comparable size at other Canadian universities. The people of St. Catharines are poorly served as audience members and as students of the arts. Finally, the City lacks space for public gatherings of all kinds – only religious and athletic facilities currently serve this need.
- Both parties will benefit from the partnership. The proximity of SFPA and the proposed arts centre will have a positive influence on economic impact and on both capital and operating cost. The presence of all SFPA departments in a single complex, the combination of touring professional and community-based activity within the arts centre, and the cross-pollination of the academic with the professional will create synergies that neither partner can generate alone.
- Product supply and audience demand will support a downtown arts centre emphasizing performing arts programming but also accommodating the visual arts and public gatherings of all kinds. The audience market for the centre is regional in nature and must include the widest possible range of market segments within the region's diverse population.
- If the arts centre is to fulfill its mission as a catalyst for downtown development, its programming must emphasize diversity, high quality, and quantity. Centre programming must welcome the public for at least one event nearly every night of the year. The centre is meant to serve locally-based non-profit arts groups, touring companies and commercial

presenters as well as its own programming, and it is intended to be complementary with other arts programming in St. Catharines.



Bob Cooper conducts Chorus Niagara, photo by Kevin Argue

- The arts centre demands a highly professional, independent operating entity in order to perform effectively as an aggressive, risk-taking presenting organization, an arts service agency, a real estate and facility management company, a fundraising and promotional organization, and an advocate for the arts. The new operating entity is intended to incorporate and expand the presenting, audience service, and technical functions of Brock's existing Centre for the Arts within a much larger and more complex non-profit organization.

- It is essential to include a number of different venues for performances and public gatherings, including purpose-built theatres for concerts, drama, dance, and film. At the same time, those spaces must be sized for the Niagara market and the programming it can support. Performance venues recommended for the new arts centre include:

- A concert hall of 800-900 seats, suitable for orchestral, choral, and popular music and large community gatherings.

- A dance performance venue of 200-250 seats, suitable for a range of theatrical and even music events although designed primarily for dance, and a studio theatre of 125 seats for community groups (combined into a single venue for the purpose of the first phase).

- A film theatre of 200 seats with a vigorous schedule of high quality first-run and curated revival film programming, but also used by SFPA for daytime classes.

- A recital hall of 250 to 300 seats, used primarily by SFPA as a music performance, rehearsal, and classroom venue, but also, primarily on weekends, available to community-based and centre-presented programming.

- Performance capability in the main lobby and café, both primarily for popular music and cabaret.

- In addition, a dedicated theatre of 250 to 300 seats is proposed for SFPA's DART programs, along with four rehearsal/teaching/research studios, at least two equipped for performances.

- City policy initiatives must parallel the development of the new centre to ensure that its goals can be met. These include real estate development policies that support centre goals, provide associated infrastructure such as parking, and ensure that new commercial development will not displace existing arts activity or prevent the centre from catalyzing future arts initiatives downtown.

- Locating Brock's Marilyn I. Walker School of Fine and Performing Arts downtown both promotes Brock's goal of increased community engagement and provides a wide range of pedagogical and practical benefits to the School. The use of existing building fabric to accommodate much of the program will provide substantial capital cost savings compared to new construction elsewhere, and the proximity of SFPA and the new arts centre will allow some spaces to be shared,

resulting in both capital and operating cost efficiencies.

- Capital Cost parameters established by Brock University for SFPA require phased development. Base hard cost in current dollars is estimated at approximately \$27.8 million before escalation, property acquisition, and soft costs, with various options for including additional elements of the SFPA program in the first phase.
- Capital Cost parameters for the arts centre also require some phasing, although the Centre as shown in the Concept Design will meet nearly all anticipated requirements for public programming. Future development will be needed to parallel expected growth in the local arts community. Base hard cost in current dollars is estimated at approximately \$45.6 million, including an allowance for development of infrastructure for associated commercial development.
- The following table summarizes the project costs exclusive of land acquisition, development charges, financing costs, legal fees, start-up costs, hazardous materials removal costs and fundraising costs. The cost of escalation is particularly difficult to estimate given the current economic uncertainty. The rate used in the table of 7% per annum is very conservative.

Cost Summary

	SFPA (CHC reno + new)	NCFA (excluding Recital Hall)	Recital Hall	comments
Hard Costs:				
Base construction	\$24,865,000	\$38,987,000	\$2,862,500	includes Net Building Cost + Site work + General Req'mts & Fee, design and LEED silver allowances
Contingency (construction allowance)	\$2,983,800	\$3,508,830	\$257,625	use 12% for SFPA and 9% for NCFA
Hard Cost Total before escalation	\$27,848,800	\$42,495,830	\$3,120,125	
Soft Costs:				
Professional Fees	\$3,341,856	\$5,099,500	\$374,415	probable range from 12 to 15%, includes specialty consultants (assume 12%)
Other costs	\$2,784,880	\$4,249,583	\$312,013	assume 10% for furniture and equipment, relocation/moving costs
GST	\$567,391	\$0	\$0	1.67% for university, 0% for city
Subtotal	\$34,542,927	\$51,844,913	\$3,806,553	
Cost Escalation (until Jan 2011)	\$4,059,500	\$6,344,500	\$467,300	assume approx 7% per annum
Total	\$38,602,427	\$58,189,413	\$4,273,853	
Total SFPA and NCFA	\$101,066,000			rounded to nearest thousand

- The recommended first phase as shown in the concept drawings significantly reduces the recommended SFPA program, focusing on current needs rather than projected growth. The first phase substantially improves over existing conditions and, with some compromises, accommodates current programs. However, future construction will be necessary to accommodate planned SFPA growth, particularly in order to offer graduate programs and introduce curricula in areas based on electronic media. The arts centre program has also been reduced for the first phase, by combining the dance performance venue and the community studio theatre into a single space and deferring community-use spaces in the visual arts and for band practice. These reductions will also need to be satisfied in future phases.
- The new arts centre is expected to operate with an annual budget of approximately \$4.5 million, of which roughly two-thirds will be met by Centre operating revenue. One-third - approximately \$1.5 million every year - must come from contributed sources, including annual contributions by both Brock and the City as well as from foundation, individual, and other government sources, and eventually proceeds from an operating endowment. Although this operating model requires a major annual commitment of contributed support, the forecast ratio of earned to unearned revenue compares favorably to comparable arts centres, and the annual need for contributed revenue is less than one-tenth of the economic impact that the project will generate, even based on highly conservative forecasts.
- Annual budget volatility will be relatively low in comparison to other arts organizations, but variations in total earned revenue of up to \$250,000 are possible and may be most likely in initial years of operation. Such variations will be met both by adjusting expenditures and by using operating reserves, but an annual variation of as much as \$100,000 in the amount of unearned revenue required should be anticipated.
- In addition to projected annual operating support, the project will require one-time start-up operating costs estimated at approximately \$1.3 million plus creation of a working capital reserve fund, recommended to be approximately \$250,000.
- Economic impacts flowing from the project will be substantial. They include both one-time impacts resulting from project development and start-up (estimated to include roughly \$16 million in direct net new tax revenue and total direct and indirect impacts of approximately \$178 million) and total ongoing direct and indirect impacts from Centre operations of over \$16 million per year.
- Based on experiences in other cities, it is the catalytic economic impacts of the project that are expected to be truly enormous over time, as the Centre changes the very character of downtown St. Catharines, increases property values, stimulates commercial development, and fundamentally alters the City's economy. The project will be only one partner in the effort to build a more creative, knowledge-based economic structure in St. Catharines, but it will play a vital catalytic role for which the arts are best and uniquely suited.

Table of Contents

Part One: Operational Feasibility	11
1.0 Overview	13
1.1 Vision, Goals, Project Description	15
1.1.1 Project Goals	15
1.1.2 Project Development Guidelines	18
1.1.3 Summary Project Description	21
1.2 Case Statement: Why Does This Project Make Sense?	23
1.2.1 Why is the Project Good for the City of St. Catharines?	24
1.2.2 Why is the Project Good for the St. Catharines Arts Community?	25
1.2.3 Why is the Project Good for the School of Fine and Performing Arts?	26
1.2.4 Why is the Project Good for Brock's Centre for the Arts?	31
1.2.5 Why Does it Make Sense for Brock and the City to Partner to Create an Integrated Arts Centre?	33
1.3 Project Structure	37
1.3.1 Ownership	38
1.3.2 Governance	39
1.3.3 Integrating Brock's Centre for the Arts	41
1.3.4 The Service Mission of NCFA and its Relationship to City Policy	42
1.3.5 The Relationship Between the Partners: Capital Cost	43
1.3.6 The Relationship Between the Partners: Operating Cost	45
1.4 NCFA Operating Issues	47
1.4.1 Staff, Staff Structure, and Operating Policy	47
1.4.2 Constituents and Constituent Services	48
1.4.3 Real Estate Development Activity and Property Management	50
1.5 NCFA Programming and Market Feasibility	53
1.5.1 Presenting policy	54
1.5.2 Rental Policy	55
1.5.3 Rental Rates	57
1.5.4 Partner Policy	58
1.5.5 Exhibition Policy	59
1.5.6 Educational Program Policy	60
1.5.7 Market Issues	60
1.5.8 Pro Forma Programming Calendar	65
1.6 NCFA Operating Finances	83
1.6.1 Overview	83
1.6.2 Program Revenues and Expenses	85
1.6.3 Ancillary Revenue	88
1.6.4 Unearned (Contributed) Revenue	89

1.7	Implementation Plan	93
1.7.1	Partnership Understanding	93
1.7.2	Organizational Development	93
1.7.3	Fundraising Strategy	93
1.7.4	Physical Development and Design	93
1.7.5	Operation Implementation	94
1.7.6	Start-up Costs	94
1.7.7	Timetable	95
1.8	Economic Impact Analysis	97
1.9	Financial Operating Pro Forma	119
	NCFA Consolidated Income Statement	121
	Schedule A – Fixed Costs	133
	Schedule B – Fixed Personnel Costs	141
	Schedule C – Income/Loss from Rental Programs	151
	Schedule C1 – Rental Program Modules	165
	Schedule D – Income/Loss from Presenting Programs	179
	Schedule D1 – Presenting Program Modules	191
	Schedule E – Start-Up Costs	229
	Schedule F – Start-Up Personnel Costs	235
	Schedule G – Local Arts Groups: Comparison of Allocated Costs and Revenues	241
	Schedule H – Estimated SFFPA Area Building Occupancy Costs	245
	Part Two: Physical Development	247
2.0	Overview of Planning and Cost	249
2.1	Policy Context	251
2.2	Creative Clusters Master Plan	253
2.3	Other Related Initiatives	254
2.4	Locating the Brock/St. Catharines Project	256
2.5	Objectives and Criteria for Site Selection and Project Development	259
2.6	Site Selection Criteria Checklist	267
2.7	Site Selection Charette Summary	271
	Appendix A: Policy Provisions	272
2.8	Program Report	279
2.9	Phasing Strategy	283
2.10	Design Narrative	287
	Addenda	291
A.	Program & Program Comparison: Concept Design to Original Program	293
B.	Concept Renderings and Drawings	309
C.	Cost Estimate	337