

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS



Studio Bell, Home of National Music Centre

Cultural Municipal Sustainability Initiative (CMSI) Program

Table of Contents:

Introduction & History	Page 2
CMSI Evaluation Process	Page 3
Estimated Budgets and Council-Approved Share Contributions	Page 4
Highlights of Completed Projects and Projects Under Construction	Page 5
Current Cultural Infrastructure Needs	Page 8
Projects for Approval in Principle	Page 9
Community Cultural Spaces	Page 9
Calgary Opera	Page 12
Unfunded, Proposed Future Projects	Page 13
Guidelines for Future Investment	Page 14
Summary of all CMSI Projects approved, in process and potential	Page 15

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Introduction

The objective of the CMSI program is to maximize The City's investment in cultural infrastructure for optimal social, learning, entertainment, and economic value in the sector, and doing so by leveraging community initiatives and addressing The City's strategic interests.

In 2008 Council directed that 5 per cent of the province's MSI allocation to The City be invested in cultural infrastructure. The total allocation of \$165 million to Cultural MSI is available for culture-related projects at the rate that the province allocates in its multi-year capital budgets.

To date, five projects have been completed and are operational. A further four projects are under construction and are scheduled for completion by 2017.

This Attachment speaks to the history, current funding needs and future of the CMSI program.

History

Over 450,000 ft.² of cultural infrastructure is completed or under construction, with 74,000 ft.² of additional exhibition space being added to showcase art work, artifacts and collections. Seven additional theatres and performing arts spaces will increase seating capacity by over 1,800.

Completed projects, including the Civic Art Storage Collection, Canada's Sports Hall of Fame, Taylor Centre for the Performing Arts, Folk Festival Hall and Nickle Galleries have provided a wide range of opportunities for citizens to experience the visual and performing arts. Completed projects welcome over 132 thousand attendees annually to performances, tours, talks and lectures.

As identified in Table 4, private contributions were initially estimated to be \$60.2 million; however, to date more than \$85 million has been leveraged from the Calgary community through philanthropy, fundraising and naming rights.

2016 promises to be a banner year with the opening of a number of facilities. These facilities will provide further opportunities for performers, audiences, students, Calgarians and visitors alike to experience the arts in exciting new facilities. With the Alberta film and television industry employing over 10,500 thousand people, the Calgary Film Studio will provide both employment and business opportunities. The King Edward School Arts Incubator is scheduled for completion in 2017 and will meet the needs of artists and arts groups, nonprofits and the community through space, workshops and mentorship.

While we celebrate the accomplishments to date and move forward with proposed funding recommendations contained in this report, it is an opportune time to review processes and refresh our understanding of the needs and opportunities related to arts and cultural spaces going forward.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

The following pages include an overview of the projects approved by Council to date and the process by which projects have been reviewed. It also proposes a plan to proceed with future funding decisions given that current demand exceeds remaining funds.

Due Diligence Evaluation Process

Since its inception, The City has worked in concert with CADA, utilizing the following key considerations in determining the 'value proposition' for any project:

- Community or public benefit as recommended through CADA's Cultural Spaces Investment Process (CSIP), in turn informed by market surveys, attendance profiles, and other expert opinion.
- Scope and cost of the building, and comparables in the sector (national or international level).
- Ability to finance, including The City's share; confirmation that 90% of funding from other sources will be available to meet the project schedule; (cash-flow analysis).
- Sufficient contingencies for design, construction and inflation, based on The City's Corporate Project Management Framework guidelines.
- Evaluation of the project's project management capabilities (City requires projects to hire professionally designated Project Managers, and to follow The City's Corporate Project Management Framework principles).
- Operational sustainability (5-year operation cash-flows after start of operations).
- Building quality – Projects undertake to build to: Applicable LEED certification (LEED Gold in most cases); The City's Design Guidelines (verified at 3 stages of design); The City's Accessibility Guidelines.

Under The City's Funding Agreement, projects undertake to:

- Complete the project within budget; if over budget, the project is responsible to finance overages; if under budget, the project returns excess funds to the extent of The City's share of the investment.
- Ensure the project aligns with Council approved CPS2003-45 *Interim Process for Reviewing Community-owned Culture, Parks and Recreation Capital Projects*, setting the principles under which community-owned facilities would be evaluated for match-funding (35% up to 50%).
- Ensure the facility operations comply with The City's public use policies; install public art as per Public Art Policy (CSPS014).

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Table 1: Estimated Budgets and Council-Approved Share Contributions

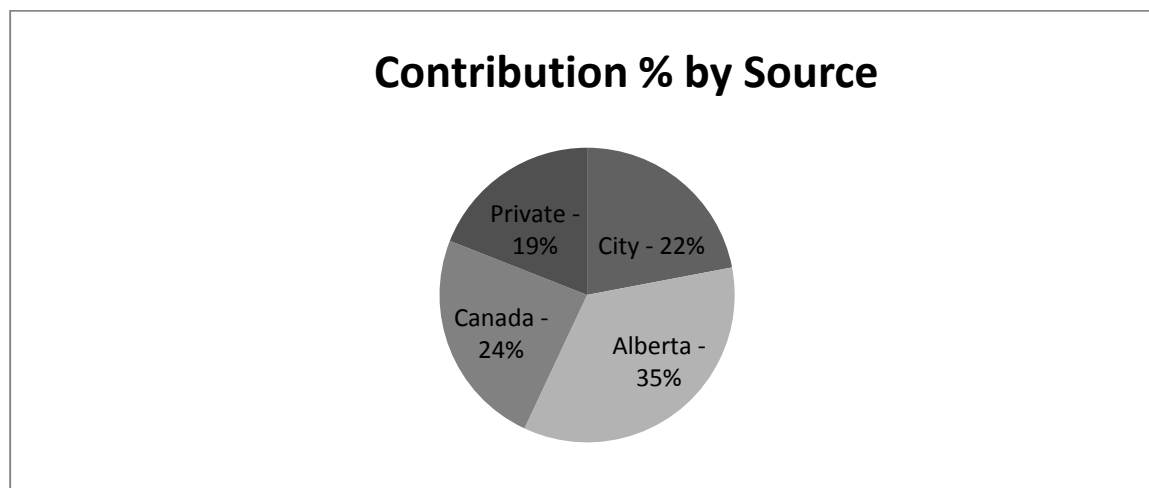
CMSI funds approved by Council (2008)		\$165M	
Project Name	Estimated Budget (\$M) as per Council report	Council-Approved City Contribution (\$M)	Council-Approved City Contribution (%)
Completed Projects			
Civic Art Collection Storage	\$1.2	\$1.2	100%
Canada's Sports Hall of Fame	\$30.0	\$5.0	17%
Taylor Centre for the Performing Arts	\$63.3	\$10.3	16%
Folk Festival Hall	\$5.2	\$1.8	35%
Nickle Galleries	\$50.5	\$3.2	6%
Subtotal	\$150.2	\$21.5	
Projects Under Construction			
National Music Centre	\$94.0	\$25.0	27%
Calgary Film Centre	\$22.8	\$10.0	44%
DJD Dance Centre	\$17.9	\$5.5	31%
King Edward School Arts Incubator	\$26.6	\$5.0	19%
Subtotal	\$161.3	\$45.5	
Total	\$311.5	\$67.0	22%
Remaining CMSI funding		\$98.0	

Table 2: Summary Breakdown of Committed Funding by Contributor (2008 – 2016)

City	Alberta	Canada	Private*	Total
\$67.0 M	\$108.3 M	\$76.0 M	\$60.2 M	\$336.3 M
22%	35%	24%	19%	100%

*Original Council report estimates were \$60.2 million; however, to date, more than \$85 million has been leveraged from the Calgary community through philanthropy, fundraising and naming rights.

Chart 1: Share Funding Overview



CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Highlights of Completed Projects and Projects Under Construction

Project name	Project summary
Completed Projects	
Civic Art Collection Warehouse (Completed 2012)	The Civic Art Collection storage facility is a 5,695 ft. ² purpose-built structure inside of a City-owned warehouse designed for the long-term care and management of the 1,200+ works in the Public Art Collection. The warehouse addresses the need for sufficient space for safely storing existing works in the collection when they require conservation and maintenance, plus room for a minimum twenty years of growth. Providing industry-standard storage, the facility allows for stewardship of this City asset valued at over \$5 million. Focused on the work of Calgary-based artists dating as far back as the 19 th century, pieces from the collection regularly rotate for exhibition to over 60 unique sites throughout the year such as schools, public buildings, Civic Partner organizations and prominent galleries in and outside of Calgary.
Canada's Sports Hall of Fame (Completed 2011)	Canada's Sports Hall of Fame is an international, award-winning facility whose mission is to share the stories of its 605 inducted sport legends to inspire all Canadians to be the best they can be. Located at WinSport's Canada Olympic Park, Canada's Sports Hall of Fame is a 40,000 ft. ² facility that features 12 interactive galleries and a collection of 100,000 artifacts. The facility offers space for event hosting, an education area, retail gift store and 125 seat theatre, with an annual average of 17,500 visitors from around the world, 9,000 students and 6,000 event attendees.
Taylor Centre for the Performing Arts, Mount Royal University (Completed 2015)	The TCPA is home to the MRU Conservatory and Bella Concert Hall. This 95,000 ft. ² facility presents a wide range of spaces: three performance venues, rehearsal halls, classrooms, studios, meeting and student rooms. The TCPA opened in July of 2015 and to date has welcomed 311 cultural events and over 31,000 attendees. This extraordinarily unique venue is equipped with outstanding acoustics, sound isolation design and state of the art technology. The interior of the facility pays homage to Alberta's rural heritage with elements that include a ceiling medallion symbolizing our provincial floral emblem, the wild rose.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

<p>Folk Festival Hall (Completed 2012)</p>	<p>Festival Hall is a 4,000 ft² intimate performance and event space in historic Inglewood that is also home to the Calgary Folk Music Festival office. Year-round direct music programming focuses on diverse indie, roots, traditional and world music while the broader cultural programming includes film, food, theatre, poetry and workshops. Festival Hall provides an affordable space for Calgary's artistic community and is available for private events and functions. Used over 330 days per year and with seating capacity of 225, the Hall annually welcomes approximately 48,000 attendees and many arts & non-profit organizations.</p>
<p>Nickle Galleries, University of Calgary (Completed 2012)</p>	<p>The Nickle Galleries opened its new location in October 2012 on the main floor of the Taylor Family Digital Library. Now located in the most visited building on the University of Calgary campus, Nickle Galleries has placed art and culture at the heart of campus, resulting in marked increases in attendance and in the range and reach of its programs. The facility features 7,500 ft² in one large exhibition space; two other galleries and mezzanine add a further 4,550 ft² of exhibition space. The facility also accommodates art and artifact storage, workshops and room for lectures, film, talks and receptions.</p>
<p>Projects Under Construction</p>	
<p>National Music Centre (NMC) (To be Completed 2016)</p>	<p>The National Music Centre building will be a 160,000 ft² architecturally stunning destination in the heart of Calgary's East Village. Renamed <i>Studio Bell, Home of the National Music Centre</i>, the facility includes a 300 seat performance space; live-music venue at the historic King Eddy; 21 exhibition galleries; retail gift/coffee shop; recording studio with historic instrument and equipment collections; artifact conservation and restoration workshops; broadcast facility for CKUA Radio; media centre. It is also Home of the Canadian Music Hall of Fame; Canadian Songwriters Hall of Fame and Canadian Country Music Hall of Fame. Four streams of programming will include education, exhibitions, incubation and performance. NMC will lead development in making Calgary a year-round "music city".</p>
<p>Calgary Film Centre (To be Completed 2016)</p>	<p>The Calgary Film Centre is intended to become a centre of excellence and innovation in the creative and digital media industries and contribute to economic diversification throughout southern Alberta. Located on 3.4 hectares of land in the</p>

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

	southeast, the 85,000 ft ² facility will include purpose-built sound stages, warehouse space and multi-purpose space that includes office, workshop and production space. Alberta's film and television industry employs roughly 10,500 people and the Calgary Film Studio will extend the local shooting season and will further grow employment opportunities for the trades, talent and related industries.
Decidedly Jazz Dance Centre (To be Completed 2016)	The DJD Dance Centre will provide a place where highly trained professional jazz experts, people taking dance classes, other arts groups and audience members share the same space as they experience the joy of dance and music. The 40,000 ft ² facility will include 7 dance studios with high ceilings, natural light, sprung floors, change rooms, student's lounge, wardrobe construction space and access to parking. One of the studios transforms into a 230 seat theatre performance space. The Dance Centre will enliven the Beltline neighbourhood, provide increased opportunities for performance and public access, expanded professional training programs and greater social impact.
King Edward School Arts Incubator (To be Completed 2017)	The King Edward project transforms a vacant 100 year-old sandstone school and 3 acre site into an innovation hub for the cultural and creative sector. The 47,000 ft ² building provides extensive shared space for arts and nonprofit organizations that is affordable and flexible. King Edward school will offer specialized and responsive workshops, services and peer-to-peer mentorship focused on nurturing creative entrepreneurship, building confidence in artists, designers and makers. This will generate innovative cultural products and experiences for Calgary and the world. This historic facility will provide a vibrant community hub for tenants, visitor, collaborators and neighbours.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Current Cultural Infrastructure Needs

Table 3: Current projects

These are projects to which funding has already been committed and those seeking allocations of funds through this report.

	City Portion	Actual/Committed (\$M)	Balance (\$M)
	CMSI funds approved by Council (2008)		\$165
A,B	Completed Projects & Projects Under Construction	\$67	\$98
C	Council-Approved for Appropriation: Pumphouse Theatre	\$2	96
	Council-Approved and Committed funding: Arts Commons Expansion & Renovation*	\$25	\$71
	Remaining CMSI Funding		\$71
D	Projects being brought forward for Council approval (2016 April):		
	Centennial Planetarium (Attachment 2)	\$24.5	\$46.5
	Treasures of China (Calgary Zoo) (Attachment 3)	\$8.15	\$38.35
	King Edward School Arts Incubator (Attachment 4)	\$1.5	\$36.85
	Remaining CMSI Funding		\$36.85

*Includes a funding appropriation of \$2.5 million already appropriated for Arts Commons

The criteria identified, in consultation with CADA, for prioritizing the next round of CMSI investment were:

- Ability of the project to begin immediately;
- Urgency of the project to address critical lifecycle needs or an external timeline; and
- Preservation of heritage assets.

A number of City facilities have been identified as priority projects for cultural infrastructure funding through Administration's review (namely through CPRIPs). They are all priority projects and are ready to be tendered for construction immediately.

CADA is in agreement that these projects would simultaneously address the need for cultural space, while providing necessary and time-sensitive funding to protect City heritage assets and to support Civic Partner projects.

It is particularly timely to transform the Centennial Planetarium, which was built to celebrate the 100th Anniversary of Confederation, into a multi-tenant cultural facility in time to celebrate Canada's 150th anniversary.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Projects for Approval in Principle

The Community Cultural Spaces are unfunded projects on the CPRIPs list. The need for cultural spaces beyond downtown has been noted in CADA's *Living a Creative Life: an Arts Development Strategy for Calgary*; the needs assessment carried out for Calgary Recreation's recent *Facility Development and Enhancement Study* and, most recently, in community engagement undertaken for the Calgary's first ever Cultural Plan.

Calgary Opera has been provided with land on the Stampede Grounds and an extension on the time frame for its development for another two years.

Table 4: Projects being brought forward for Approval in Principle

These projects have been either recommended through CSIP or are on the CPRIP list.

	Projects Brought Forward for Approval in Principle	Potential City Portion (\$M)	Balance (\$M)
	Remaining CMSI Funding (provided Council approval of Attachment 2-4 projects)		\$36.85
E	Potential Approval in Principal projects:		
	In-Camera Project (Attachment 5)	\$5.0	\$31.85
	8 Community Cultural Spaces	\$16	\$15.85
	Calgary Opera*	\$7.5	\$8.35
	Remaining CMSI Funding		\$8.35

**Total Project cost estimate is \$30 million*

Community Cultural Spaces

Background:

In the *Arts Spaces Strategy and Capital Plan* undertaken by the Calgary Arts Development Authority in 2007, the need for investment in facility infrastructure for arts and culture was well-documented, highlighted by facts related to purpose-built arts spaces operating at or near capacity; most existing spaces are aging and in need of reinvestment and large areas of Calgary are without dedicated arts facilities, thus limiting access to the arts. In particular, the need for "incubator spaces" and community arts centres was articulated and the City's Recreation Business Unit singled out as the lead catalyst for the development of such spaces.

This case was strengthened by the development of CADA's *Living a Creative Life: an Arts Development Strategy for Calgary*, endorsed by Council in 2014, which pointed to the desire of

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Calgarians to “live a creative life” in their own neighbourhoods. Further, recent research undertaken by Calgary Recreation for the *Facility Development and Enhancement Study* identified a lack of dedicated arts and cultural spaces in specific areas throughout Calgary. Finally, recent public engagement and cultural resources mapping undertaken for the development of the Cultural Plan for Calgary identified gaps in the availability of spaces for a wide range of cultural activity in neighbourhoods, which are seen to be major contributors to Calgary’s cultural life.

Project Overview:

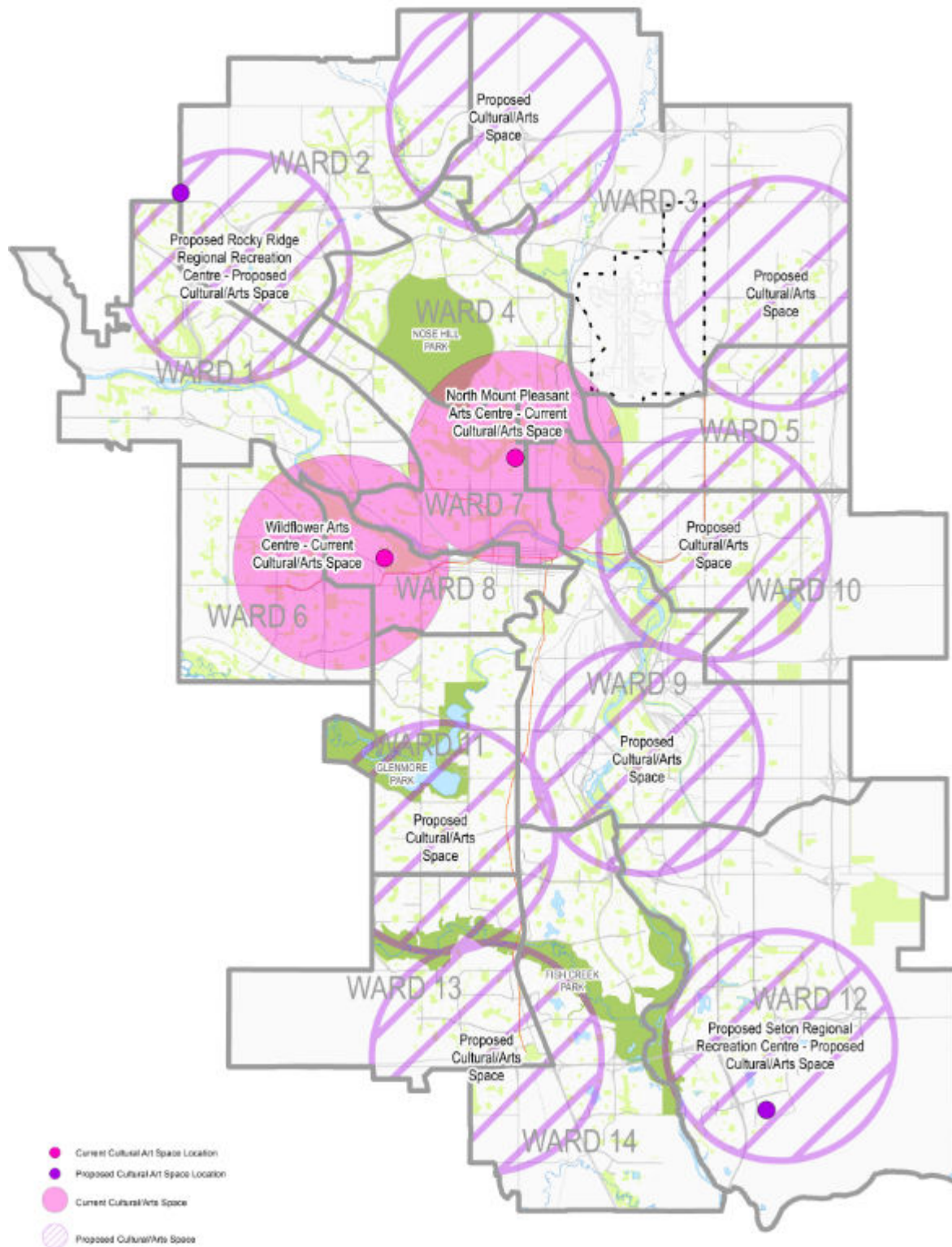
The business case for Community Cultural Spaces is currently listed as an unfunded project on the CPRIPs list and recommends the creation of up to eight facilities to meet existing and growing needs. The spaces would result in increased access for Calgarians to arts facilities in their home neighbourhoods and would be used by a wide range of citizens from children to seniors, ethno-cultural communities, amateurs to professional artists. The spaces could be used for creation, rehearsal or performance space for theatre, dance or music; production studio spaces; media production spaces and multi-tenant spaces with shared facilities for non-profit groups.

These spaces need not be new, they could be older, under-used facilities. Some may meet the demands of the Calgary Heritage Strategy to make creative adaptive use of older buildings. In some cases they may form additions to existing spaces or be integrated with new multipurpose facilities. Following the same philosophy employed in the design of the two New Recreation Facilities, Rocky Ridge and Seton, future planning will consider the need for cultural spaces in new or renovated facilities in other neighbourhoods.

The following map suggests areas that could incorporate new Community Cultural Spaces.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Map 1: Potential Community Cultural Spaces



CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Calgary Opera Creative Development, Administration and Production Facility**Background:**

Founded in 1972, Calgary Opera's mission is "to Engage our Audience and Enhance our Community through the Magic of Opera." Since its inception, and especially in the past decade, Calgary Opera has made a name for itself as a company that is committed to the development of Canadian talent and the development of new opera works. Calgary Opera operates out of the Mamdani Opera Centre with main performances at the Jubilee Auditorium. In addition to productions, the organization offers community and school programs throughout Calgary.

Project Overview:

The proposed Calgary Opera Facility was reviewed through CADA's CSIP process in 2013 and was recommended to the City of Calgary for consideration. Calgary Opera is seeking \$7.5 million funding toward a total project goal of \$30 million to move forward in its agreement with the Calgary Stampede to move into a new 50,000 ft² building on the grounds by 2018. Calgary Opera has extended its lease at the Mamdani Opera Centre to accommodate this timeline.

The facility will be designed and built as a multi-purpose building to be shared with Youth Campus partners and more than 160 community organizations who currently use space at Mamdani Opera Centre. The new space will include two rehearsal spaces (with one converting into a 300/350 seat theatre), costume storage, a home for its Emerging Artists Program and administrative offices. Calgary Opera plans to have 70 per cent of the facility available as shared space.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Unfunded, Proposed Future Projects

There are projects that have been addressed through CADA's CSIP process but do not have plans to complete construction by 2018. These will be considered for possible future development post *Action Plan 2015 – 2018*. These projects are at varying stages of planning and in preliminary stages of determining project viability. There may also be new projects coming forward, either as a result of work that CADA is undertaking to update its *Arts Spaces Strategy*, which will specifically examine under-resourced areas of Calgary, or as a result of emerging needs articulated in the Cultural Plan, or from new community-led projects.

One key consideration for all new projects is the current economic environment which could influence private contributions. Other key considerations for most of these projects is the uncertainty of future provincial commitments towards infrastructure spending, and the need to clarify the eligibility requirements for the federal funds for cultural infrastructure recently announced in the March 22, 2016 federal Budget.

Table 4: Potential Projects that have been recommended through the CSIP process

		Potential City Portion (\$M)	Balance (\$M)
	Remaining CMSI Funding (provided Council approval of previously listed projects)		\$8.35
F	Potential projects that have gone through the CSIP process and may be ready post 2018:		
	Glenbow	\$5	\$3.35
	East Calgary Arts & Culture Centre (formerly IAAC)*	\$10	(\$6.65)
	Alberta Ballet	\$20	(\$26.65)
	Other emerging projects		
	Shortfall		(\$26.65)

*Developing a renewed concept, process supported by CADA

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Guidelines for Future Investment

The guiding principles and criteria that were established to administer CMSI funds have served The City and Calgarians well. In the period of time since the inception of CMSI, the cultural and economic landscape has changed dramatically in Calgary. This is due in part because of the addition of facilities and related programming that spring from capital projects funded through CMSI and in part because of the current economic landscape and the challenges that presents.

It is opportune for The City and Calgary Arts Development Authority to work together to refresh our collective understanding of current gaps and opportunities in cultural facilities and to re-examine CMSI processes to make the best decisions for granting remaining, and possible future, cultural infrastructure investments.

The City of Calgary and CADA will continue to work collaboratively in the ongoing development of arts and cultural infrastructure using the following guidelines:

1. Recognize the role for both The City and the community in providing arts and cultural spaces and facilities.
2. Develop an evidence-based and strategic approach for prioritizing funding of cultural infrastructure projects.
 - a. Current gaps and opportunities related to arts and cultural spaces and facilities should be informed by research, studies and plans such as CADA's *Living a Creative Life*, J. Barlow's *Calgary Cultural Facilities Inventory*, The City of Calgary's *Cultural Plan for Calgary* (when released) and Calgary Economic Development's *Economic Strategy for Calgary*.
 - b. Further study may be required, for example in relation to opportunities for multi-purpose and re-purposing of current facilities.
3. Once gaps, opportunities and priorities are identified, projects will continue to be assessed based on:
 - a. Readiness (requires viable match-funding in place where relevant)
 - b. Demonstrated track record of market fulfillment
 - c. Capacity to raise funds
 - d. Project costing and execution
 - e. Operational sustainability
 - f. The best combination of the above factors

Next Steps

The refresh of the approach to determining cultural infrastructure investments for Calgary will include reviews of the processes currently used for intake, evaluation and decision-making. The goal will be to ensure that projects of strategic importance to Calgary's cultural life are prioritized.

CULTURAL MSI OVERVIEW AND RECOMMENDATIONS

Table 5: Summary of all CMSI Projects approved, in process and potential

	Projects	City Portion (\$M)	Balance (\$M)
	MSI Fund for cultural infrastructure approved by Council (2008)		\$165
A	Completed Projects:	\$21.5	\$143.5
B	Projects under construction:	\$45.5	\$98
C	Committed projects under development:		
	Pumphouse Theatre	\$2.0	\$96
	Arts Commons	\$25.0	\$71
D	Projects being brought forward for Council approval (2016 April):		
	Centennial Planetarium	\$24.5	\$46.5
	Treasures of China (Calgary Zoo)	\$8.15	\$38.35
	King Edward School Arts Incubator	\$1.5	\$36.85
E	Near term projects (2016 -2018):		
	In-Camera Project	\$5.0	\$31.85
	Community Cultural Spaces	\$16	\$15.85
	Calgary Opera	\$7.5	\$8.35
F*	CSIP-recommended and emerging projects potential post 2018		
	Glenbow	\$5	\$3.35
	East Calgary Arts & Culture Centre (formerly IAAC)	\$10	(\$6.65)
	Alberta Ballet	\$20	(\$26.65)

** Other projects may emerge through CADA's update of the Arts Spaces Strategy and through The City's Cultural Plan, as well as from the community.*