

Confidential Attachment 1
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CONFIDENTIAL ATTACHMENT 1

RE: EX12.6

St. Lawrence Centre for the Arts

A Meeting Place for Culture, the Neighbourhood, and the Park

Options Review

20 November 2019

CONFIDENTIAL



Purpose

This report outlines several opportunities for the City to consider towards the (re)development of the St. Lawrence Centre for the Arts.

TO Live has conceptualized not just a new building, but a transformational, world class, state-of-the-art civic space that will be a vibrant nexus for the city's future.

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Overview & Background

Overview & Background

Prelude

TO Live is one of the largest, multi-arts institutions in the ever-evolving Canadian arts ecosystem. It offers vital programs and services which collectively support the work of Canadian creators while providing an enduring and timeless platform for their stories. A majority of these services are offered through partner relationships with local theatre, music and dance companies. With two hubs of creativity and content creation in both downtown and uptown Toronto, TO Live has a unique place and perspective.

In 1962, the St. Lawrence Centre for the Arts was initially proposed to give the city a cultural hub, with centralized performance venues, rehearsal halls, schools and gallery spaces. The original proposal sought to foster meaningful civic involvement through participation in the arts, political debate, and social engagement. Through the remarkable tenacity, energy, and vision of Mavor Moore, the STLC became a transformative landmark recognizing the need for the “Place of the Artist” as part of the evolution in Canadian culture. Throughout its history the Centre has launched thousands of careers of Canada’s finest directors, choreographers, actors, designers and production staff.

Since that time, the city that the Centre was built to serve has grown tremendously and become one of the most diverse cities in the world. It has also become one of the world’s most forward-looking cities in terms of both democratic values and technological savvy. More than half a century later the STLC sits at the very epicenter of the city, surrounded by a thriving residential neighbourhood, connected to every transportation system, nestled in the heart of the country’s investment community, and overlooking one of the city’s most treasured public spaces, Berczy Park.

Despite its remarkable history and its outstanding location, the STLC has some very real issues. While some past renovations have been a temporary fix in keeping the building in a state of good repair, its performance spaces are outdated and inflexible, the public spaces are extremely limited, and the building has not kept current with industry wide standards for performing arts companies – accessible facilities that are flexible, adaptable, and configurable.

The time has come for a new St. Lawrence Centre that will do all that its founders dreamed of and so much more. TO Live and potential partners have joined together to conceptualize not just a new building, but a **transformative civic space** that will be a nexus for the future. This opportunity will create a place for meeting and the exchange of ideas; a place for the city and the country to look to the future of creative industries; a place to present leading national cultural products; and a place to reach, teach, inspire, and learn from new, diverse audiences.

TO Live’s civic mandate has widened to include a wildly diverse array of events that reflect Toronto’s vibrant multicultural landscape and its relationship to the rest of the world. The redevelopment of the St. Lawrence Centre will be a testament to the community-building intentions of the past, and a promise to a dynamic, diverse, and limitless future.

TO Live Background

Mission

Activate creative spaces by inspiring local and international artists, and connecting audiences – to be the nexus for new ideas, elevate artistic potential and be the catalyst for creative expression that is reflective of Toronto's diversity

Vision

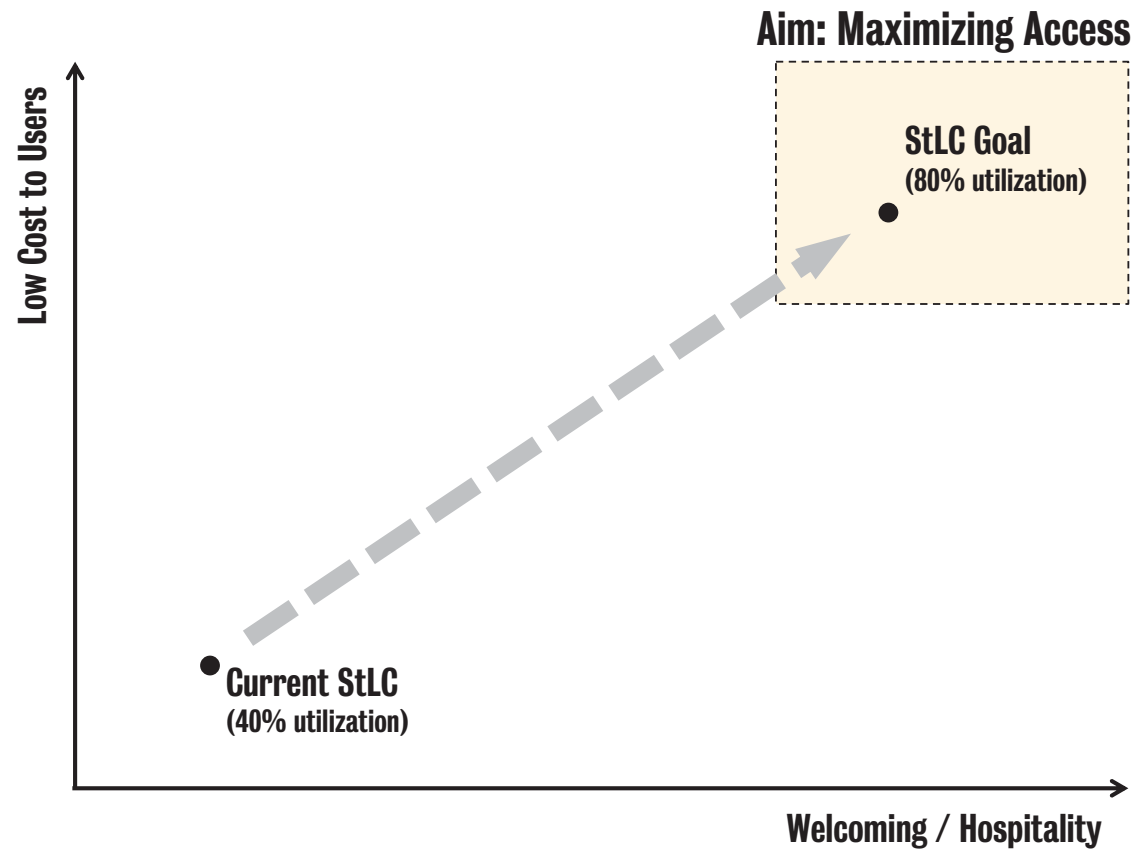
To be Canada's foremost multi-arts centre – pushing the boundaries of creativity and diversity through artistic excellence, education, and public engagement

History

- In 2015, TO Live was made responsible for the consolidated governance and operations of the St. Lawrence Centre for the Arts, Meridian Hall, and Meridian Arts Centre
- TO Live's downtown hub has a rich history of arts and entertainment spanning nearly six decades
- Meridian Hall and the adjacent St. Lawrence Centre are internationally-acclaimed cultural complexes for dance, concerts, comedy, variety, festivals and music and home for Canada's leading companies for theatre, classical music and more
- Despite its remarkable history, STLC building has not kept current with industry-wide standards

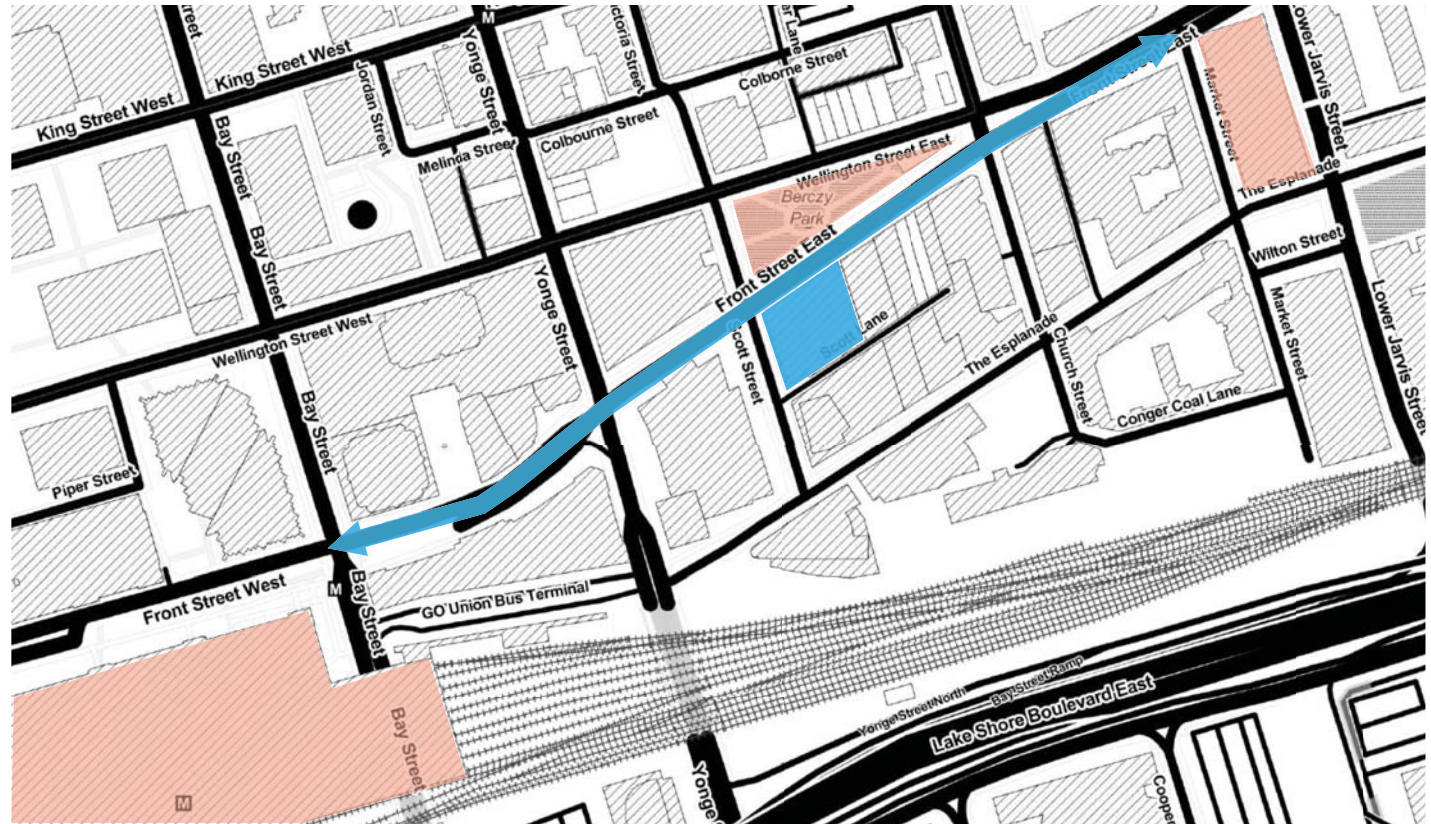
Strategic Opportunities

- Engaging a diverse array of small-, mid- and large-scale arts groups and offering a new and contemporary programming slate



Strategic Opportunities

- Triangulating between Union Station, Berczy Park, and St. Lawrence Market – connecting our public spaces to the larger downtown area to ensure the public has a relationship to our civic spaces



Strategic Goals & Objectives

The St. Lawrence Centre presents an opportunity to create a **hub for arts and cultural performance in downtown Toronto**

Our strategic goals for investment in the St. Lawrence Centre are to ensure it is:

1. A resource for cultural audiences
2. A resource for the St. Lawrence neighborhood and Toronto community
3. Support for contemporary Canadian artistic production
4. Support for the TO Live artistic mission to 'reflect the City on the stage'
5. An opportunity to enhance financial sustainability of the TO Live organization
6. A notable cultural asset for Toronto and Ontario, attracting tourism and prestige

Current Status

Current Status

Site Considerations

Site

27 Front Street East – south side of Front St E, at corner of Scott St

Building

- Construction began in 1967 as Toronto's Centennial Project; opened in 1970
- Two theatres:
 - Bluma Appel – 868-seat proscenium stage
 - Jane Mallett – 497-seat semi-circular thrust stage
- State of Good Repair audit and update to current accessibility standards highlight approximately \$42 million to maintain facility

Ownership & Operation

- Land and building owned by the City of Toronto
- Managed and operated by TO Live, governed by a Board of Directors with City Council representation

Land & Building Considerations

- Mixed use area – zoning CR T4.0 C3.0 R3.0
- Must minimize negative impact of shadows on Berczy Park
- 23m height limitation, and angular plane requirement of 44 degrees at 20 metres
- Subject to St. Lawrence Neighborhood Focused Area Urban Design Guidelines
- TRCA regulated area
- Area of archaeological potential



Current Status

Current Use

- Two spaces for performance
 - Bluma Appel – hosts theatre, dance, musicals, and other touring performances
 - Jane Mallett – typically used for smaller concerts
- Usage has declined in recent years due to:
 - High cost of use of the theatres
 - Outdated public spaces
 - Inflexibility of the spaces and operating policies

Performances

- 167 events per year combined across the Bluma Appel and Jane Mallett theatres
 - 40% and 35% annual usage capacity

Performances Summary

	Bluma Appel	Jane Mallett	Total
2018	138	83	221
2019	98	69	167
% change	-29%	-17%	-24%

- TO Live is increasing its presence as a presenter

TO Live Presentations

	Bluma Appel	Jane Mallett	Total
2018	5	7	12
2019	27	11	38
% change	440%	57%	217%

Rentals

- 21 corporate rentals in 2018 and a projected 41 corporate rentals for 2019

Current Status

Existing Relationships

The St. Lawrence Centre currently hosts a variety of resident, festival, and touring productions representing a range of Toronto's performing arts

Legacy tenants include:

- Canadian Stage
- Music Toronto
- Toronto Operetta Theatre
- Voice Box: Opera in Concert
- Hannaford Street Silver Band

Many long-term residents, while strongly associated with the Centre itself, have reduced annual usage in recent years

canadianstage



TO Live Resident Performances (all theatres)

	2018	2019	% change
CanStage	64	52	-19%
Music Toronto	6	13	117%
Toronto Operetta	11	7	-36%
Voice Box: Opera in Concert	6	4	-33%
Hannaford Street Band	2	4	100%
Total	89	80	-10%

Community Consultation

AEA Consulting spoke with 32 users and community stakeholders – those conversations demonstrate that the St. Lawrence Centre is a valuable asset for Toronto's performing arts organizations, though there are aspects that need revision

Consultations included persons from:

- City of Toronto – Community Planning Toronto & East York
- City of Toronto – Economic Development & Culture
- City of Toronto – Heritage Preservation Services
- City of Toronto – Urban Design / City Planning
- Friends of Berczy Park
- St. Lawrence Market Neighbourhood BIA
- St. Lawrence Neighbourhood Association
- Canadian Stage

plus a range of other existing users

Key Takeaways

The Bluma Appel is a unique mix of house size, stage space, and contemporary feel that doesn't exist elsewhere

Cost of use is a core concern, both at present and in the future – delivering labor agreements that provide more flexibility, particularly in technical spaces, would likely increase potential usage from renters

Users would be excited for **refreshed public spaces**, particularly if it included spaces that could be used to host fundraising / sponsor events

Most interviewees are **enthusiastic about the 'placemaking' opportunities** that could be provided by better connections between the building, neighborhood, and city

Early conversations with four potential core partners revealed interest from those organizations as more significant collaborators, particularly if **calendar access could be secured for the long-term**

Current Status

State of Good Repair Needs

A 2016 Building Conditions Audit indicates approximately \$25 million of hard costs over 20 years to maintain current systems, of which the majority are considered “fair” or “poor condition”

Initial cost summaries total another \$8.5 million of hard costs to bring the St. Lawrence Centre up to standards across three accessibility codes:

Cost Summary

	Baseline		Best Practice
	Ontario Building Code	AODA	TADG
Construction Cost	\$ 2,501,100	\$ 70,000	\$ 5,952,350
Total	\$ 2,501,100	\$ 70,000	\$ 5,952,350

Cost Summary by Priority

	Priority 1	Priority 2	Priority 3	Total by Code
Ontario Building Code	\$ 1,242,900	\$ 503,400	\$ 754,800	\$ 2,501,100
AODA / Design of Public Spaces	\$ 68,750	\$ 1,250	\$ -	\$ 70,000
TADG / Design Guidelines	\$ 3,869,200	\$ 1,142,600	\$ 940,550	\$ 5,952,350
Total by Priority	\$ 5,180,850	\$ 1,647,250	\$ 1,695,350	

Approximately \$42 million is mandatory to be spent by the City to address these needs*

*Note: \$42 million takes into consideration inflation from time of audits as well as project management and consulting fees

Source: +VG Architects 2016 Building Conditions Audit / 2018 Accessibility Audit



Outdated Equipment



Clutter in workspaces



Water ingress

Way Forward

Options Overview

Option 1 – Enhancement

Update current facility to bring St. Lawrence Centre to current accessibility standards and refresh the public experience

- 890-seat Bluma Appel Theatre
- 497-seat Jane Mallett Theatre
- Enhancements to lobby and foyer areas
- Improvements to energy efficiency and other systems enhancements

Option 2 – Re-development

Use SOGR budget and additional government and private funds to reimagine the future St. Lawrence Centre, including:

- Flexible performance hall that can shift between a 750 to 5,000 audience capacity
- 300-500 seat flexible black box
- A renovated public space (lobby area and food & beverage offer) connecting to Berczy Park and surrounding outdoor spaces
- Three rehearsal spaces
- Administrative and support facilities

Way Forward

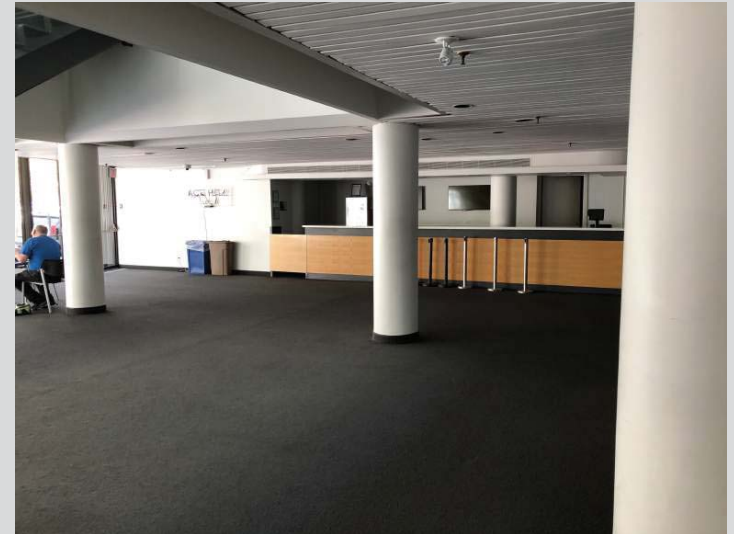
Option 1 – State of Good Repair & Accessibility

Overview

Preliminary estimates show that the cost to bring the St. Lawrence Centre up to current accessibility standards and an acceptable state of repair is \$42 million – this would be funded entirely by the City of Toronto

This includes the following improvements and renovations:

- Upgrade to current accessibility standards – remodeling back-half of building to incorporate new elevators and circulation paths
- Possible improvements to energy efficiency
- Cosmetic updates to public spaces









Lobby Space

Option 1 – State of Good Repair & Accessibility

Strategic Impact

- SOGR and accessibility upgrades focus on accessibility and improving building infrastructure
- Increased accessibility may bring more visitors to the Centre
- Current trends in performance / presentation unaddressed, and limited overall benefit to artists
- Limited opportunities to rebrand or reposition a 50-year old building
- Likely results in a usage rate from legacy partners and other local users similar to current levels – unlikely to encourage new users or community access
- Existing financial agreements likely to continue
- Preliminary modelling indicates a small net increase to current baseline operating scenarios

Goal	Impact
Resource for cultural audiences	
Resource for community	
Support for Canadian artistic production	
Support T0 Live artistic mission	
Enhance T0 Live financial sustainability	
Create a notable cultural asset	

Best Impact     No Impact

Way Forward

Option 2 – Re-development

Overview

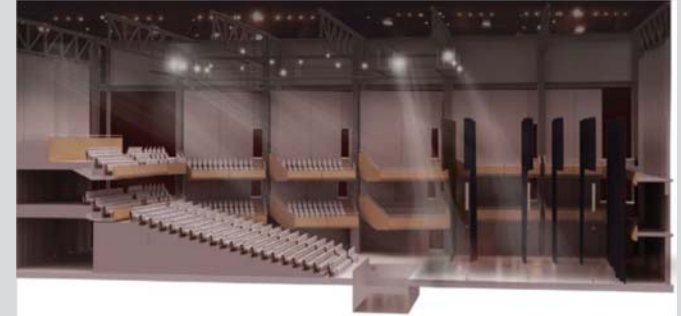
Initial capital cost estimates for the envisioned project total approximately \$180 million to \$200 million

Re-development concept studies by Fisher Dachs Associates

- State-of-the-art performance hall, with flexible configurations between 750 (seated) to 5,000 (standing room) capacity
- Second, 300-500 seat 'black box' theatre space
- New, welcoming public space (lobby area and food & beverage offer) connecting to Berczy Park and outdoor spaces
- Three rehearsal spaces
- Administrative and support facilities

Drawings from Fisher Dachs Associates

Main Hall
proscenium configuration
(~1,050 seats)



Main Hall
thrust configuration
(~1,190 seats)



Main Hall
"live music" configuration
(~5,000 capacity)



Option 2 – Re-development

Funding Options

There are two primary options to fund and operate the re-development:

- TO Live conducts independent capital campaign and has sole management of facility and scheduling
- TO Live conducts capital campaign with a small cohort of partners (likely 2-4), retains sole management of facility, but offers some control over scheduling to partners

Independent (TO Live)

If TO Live were to embark on an independent capital campaign, an initial funding breakdown is as follows:

- \$42 million from City for SOGR / accessibility
- \$100 million from additional municipal funding, Province of Ontario, and Federal government
- **Remaining \$38 million to 58 million from private TO Live fundraising**

TO Live + Partners

Distributes the financial commitment beyond TO Live – an initial projected breakdown of funding via a partnership effort is:

- \$42 million from City for SOGR / accessibility
- \$100 million from additional municipal funding, Province of Ontario, and Federal government
- Total \$30-\$60 million from private partner fundraising
- **Remaining (up to \$28 million) from private, non-competing TO Live fundraising**

Option 2 – Re-development

Potential Governance Structure

Under all scenarios, the City of Toronto owns the St. Lawrence Centre, with TO Live managing and operating the facility

Independent (TO Live)

- TO Live will have full control of the calendar and set market rates as it deems fit for all users
- Programming matches TO Live vision and mission and ensure alignment to Strategic Goals
- TO Live responsible for all capital contributions and annual fundraising







TO Live + Partners

- Formal, long-term constituency agreements create methods for core tenants to book (and challenge) for preferred dates
- Allowance for some internal maneuvering for dates for TO Live to present
- Cost model set in advance with rates for facilities, labor, and other related costs

Option 2 – Re-development

Strategic Impact

- State-of-the-art space is a new civic asset that attracts attention and focus to Toronto
- Increased performance range for artists and Canadian cultural organizations – including TO Live
- Placemaking opportunities as new public spaces connect to Berczy Park and help connect to neighborhood and downtown Toronto
- Opportunity to provide more flexibility in cost model to partners / tenants
- Improved accessibility and ambiance – opportunities for enhanced event and F&B revenue

Goal	Impact
Resource for cultural audiences	
Resource for community	
Support for Canadian artistic production	
Support TO Live artistic mission	
Enhance TO Live financial sustainability	
Create a notable cultural asset	

Best Impact      No Impact

Option 2 – Re-development

Strategic Impact – Operating Model

TO Live (both scenarios)

- Less costly and more efficient operations of the venue
 - Streamlined features will allow for “push-button” changes in the stage
 - Ease of use can help attract increased usage from local, regional, and international presenters
- Opportunity to find operational efficiencies given new set-up of the performance spaces

Additional Considerations with Partners

- With capital funding, partners given control over preferred dates and ample time to book desired schedules
 - TO Live will retain some dates though priority given to core tenants filling their schedules first
 - Fewer local (non-partner) performing groups, as schedules will overlap with priority tenants
- More affordable because of improved operations
 - Partners may be given a preferential rate for space use, depending on level of capital contribution

Way Forward

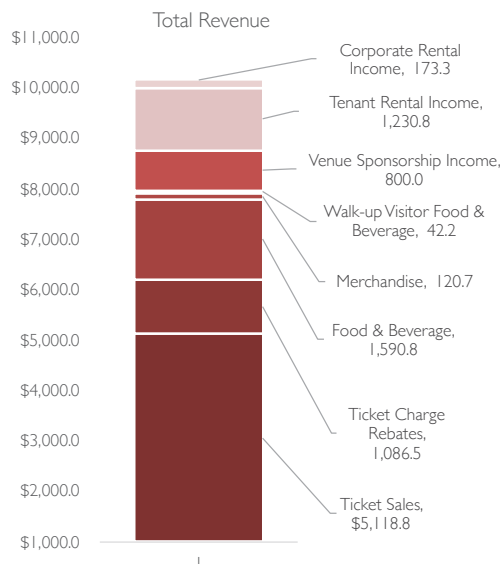
Option 2 – Re-development

Operating Financial Impact

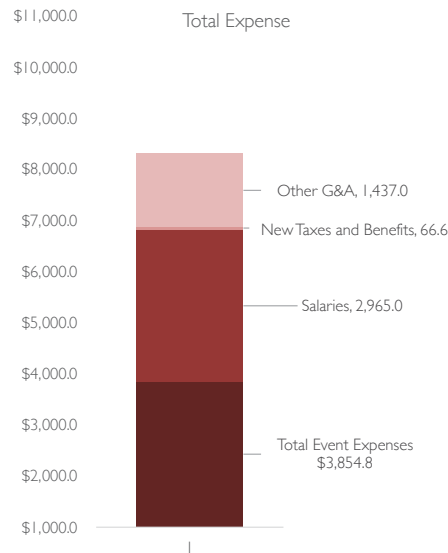
Independent (TO Live)

Preliminary modelling shows a net increase to EBITDA of \$1.84 million compared to current baseline operating scenarios

Revenue: \$10.16 million



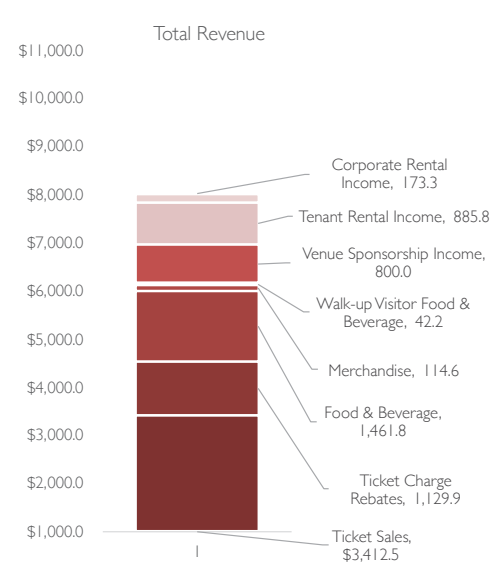
Expenses: \$8.32 million



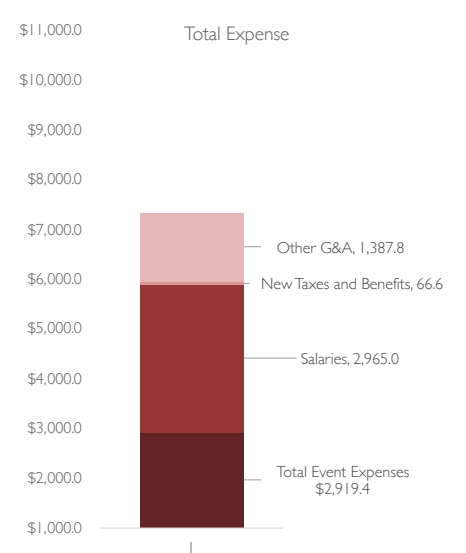
TO Live + Partners

Preliminary modelling shows a net increase to EBITDA of \$680,000 compared to current baseline operating scenarios

Revenue: \$8.02 million



Expenses: \$7.34 million

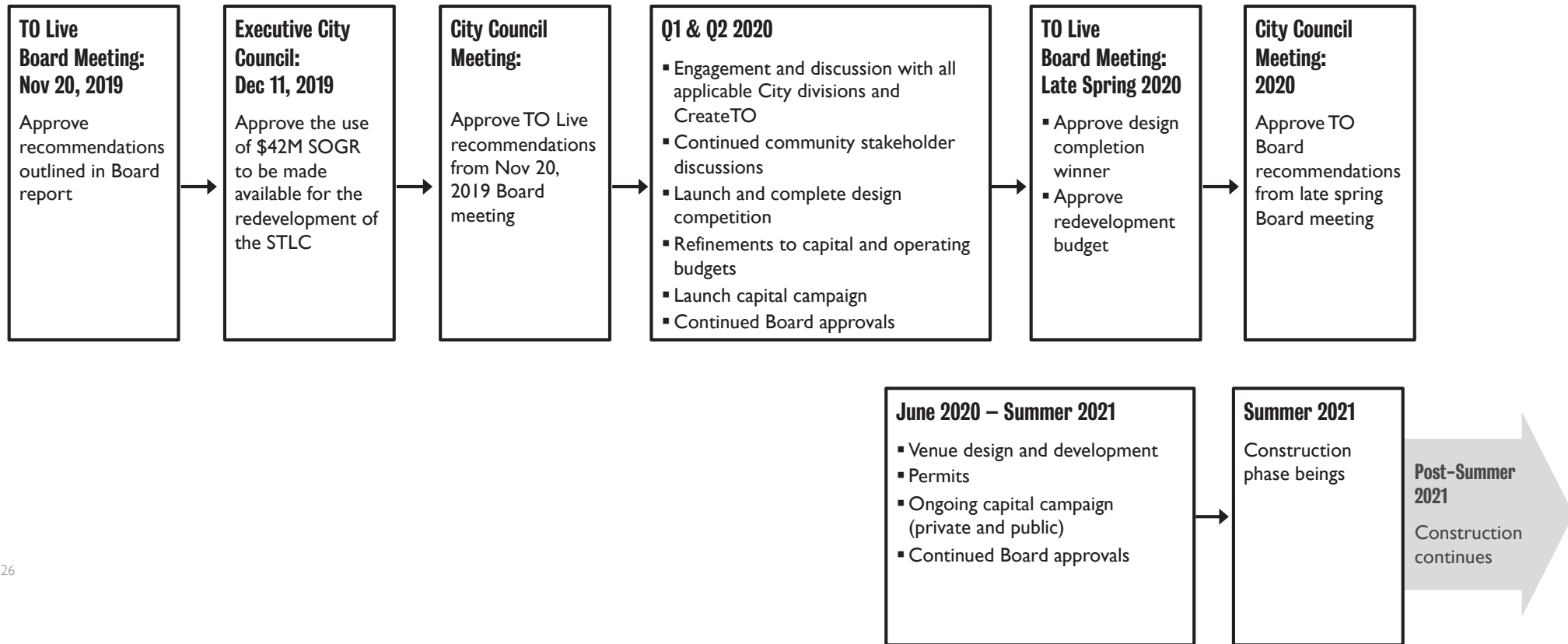


Source: AEA Consulting projections

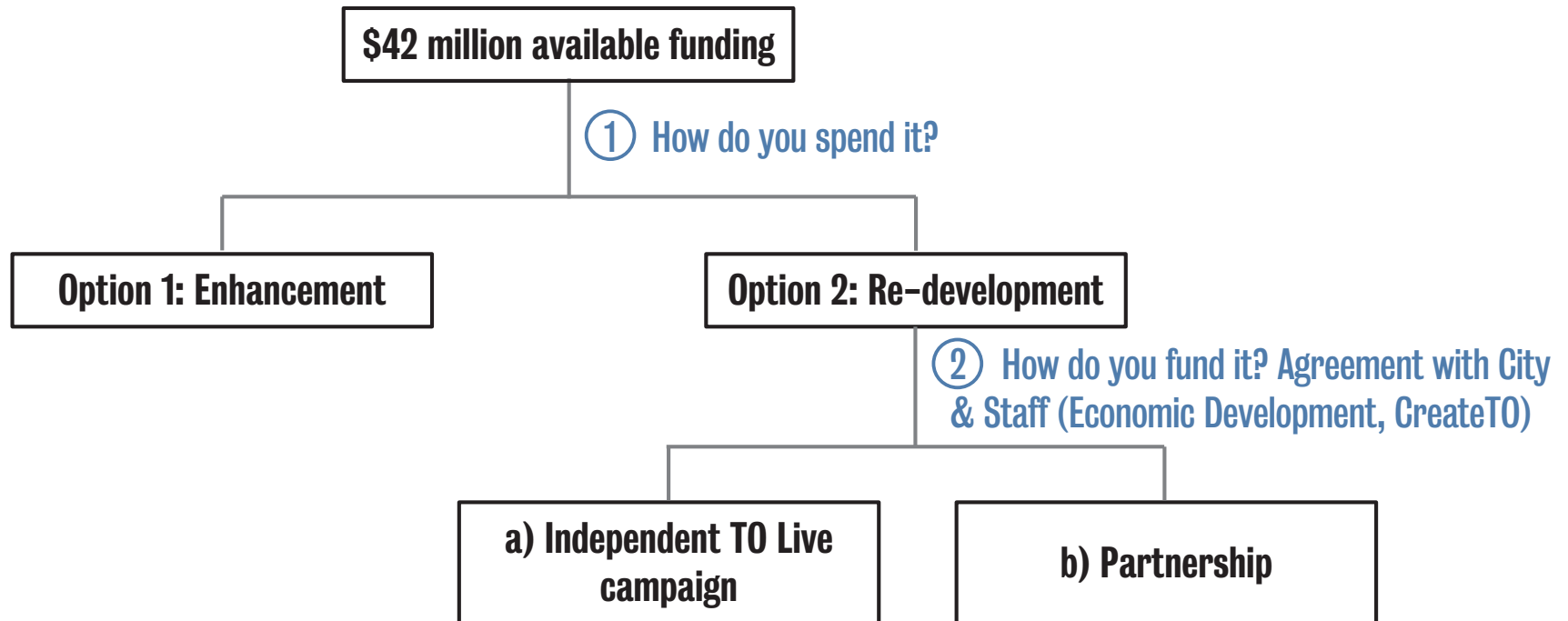
Next Steps

Next Steps

Key Approvals & Project Timeline



Required Decisions



Thank You!

Input from:

AEA Consulting (strategy / business model / community consultation)

Fisher Dachs Associates (space plan / theater consultant)

LEA Consulting (transportation impact study)

+VG Architects (building condition report / accessibility audit)

VPN (shadow study)

