



Edmonton Performing Arts Centre

A Component of the Edmonton - Downtown Academic and Cultural Centre

Opportunity Summary

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EPAC Vision

The Edmonton Performing Arts Centre (EPAC) will encourage increased diversity of cultural programming in downtown Edmonton and be a catalyst for transforming the 99th Street Cultural Corridor into an arts and cultural destination by providing state-of-the-art, affordable venues and rehearsal space for area performing arts organizations and the University of Alberta.

Measureable Outcomes

Investment in, and enhancement of, Edmonton's arts eco-system will provide:

- Net positive change in the perception of Edmonton as an arts and cultural destination
- Academic enrichment of downtown
- Demonstrated improvement in the quality and diversity of Edmonton performing arts venues
- Expanded opportunity for artists and organizations to present arts and cultural programming
- Increased participation and audience diversity

Project Description

Proposed Facilities

EPAC is a cluster of performing arts venues, administrative office spaces, and ancillary spaces within the proposed Edmonton Downtown Academic and Cultural Centre (E-DACC). Proposed facilities include:

- Four performing arts venues
 - 1,600 seat Main Theatre
 - 650 seat Second Theatre
 - 200 seat Flexible Studio Theatre
 - A 200 seat Recital Hall (for primary use by the University of Alberta Department of Music)
- Gathering space/special events space
- Banquet room
- Patron's lounge/event room
- Two rehearsal halls
- EPAC Administrative Offices
- Incubator space for local arts organizations

E-DACC Context

EPAC is one component of a larger development: the Edmonton - Downtown Academic and Cultural Centre (E-DACC), a catalyst project for the revitalization of the downtown Edmonton Arts District with the potential to bring thousands of students, professional workers, and arts patrons to the 99th Street Area on a daily basis. E-DACC is comprised of three main components:

- The University of Alberta Downtown Campus
- Edmonton Performing Arts Centre (EPAC)
- Commercial Office Space and Retail Development

The three components are interrelated and critical to the sustainability of the overall D-DACC business model. The proposed model is a trust with the net revenues from the University and Commercial areas subsidizing the operations of EPAC. This model allows for affordable venue and rehearsal space options for local arts organizations.

Alignment with City of Edmonton Objectives

E-DACC aligns directly with the recommendation in the 2011 Mayor's Arts Visioning Committee report, *Edmonton Arts 2040: Prosperity with Creativity*, for a Performing Arts Centre in the newly expanded Arts District. The goal of the Committee's recommendations is to lift Edmonton to international recognition as a city of the arts by the year 2040. The committee was asked to look beyond the City's 10-year cultural plan, *The Art of Living*, which identified the need for affordable arts space as one of the five areas of concern and opportunity in the arts, and investigate opportunities and partnerships between Edmonton's arts and business communities to carry the cultural plan forward.

Demand for EPAC

Venues and Rehearsal Space

Arts organizations in Edmonton are constrained by the current inventory of venues and rehearsal spaces in Edmonton.¹ The lack of a suitable venue for opera, dance, and theatre between 720 and 2,500 seats, the high utilization of existing venues, and the lack of rehearsal space are a constraint to growth within the sector. Out of this constraint comes a demand for additional state of the art venues and rehearsal space.

Sector Demand

Previous studies have documented demand for new venue and rehearsal space in Edmonton:

¹ See AMS's *Case for the Edmonton Performing Arts Centre Interim Report*, January 2013, pg. 19 and Appendix D for an analysis of the current venue inventory.

- The Edmonton Arts Council’s 2008 report *The Art of Living* and its follow-up action plan for Recommendation #2, *Review of Art Space Issues in Edmonton*, identified the development of arts space as a critical need for the City, and expressed demand by the arts community for main stage venues that meet national standards for dance and theatre and for additional rehearsal spaces.
- The *Edmonton Performing Arts Centre Community Needs Assessment*, commissioned by the Edmonton Opera in 2011, found that the growing need for performing arts venues in Edmonton outstripped the available supply. The study identified nineteen organizations that could potentially have need for a new venue, and estimated up to 17 weeks of use by these organizations in a new venue of over 1000 seats and up to 63 weeks in a venue below 500 seats.

Both studies documented demand for a theatre of 1,500 to 1,600 seats suitable for opera, dance, and theatre, which is currently unavailable in Edmonton, as well as additional affordable and well-equipped small theatres for theatre, dance, and music.

EPAC Facility Demand

In 2012, AMS conducted a survey of local arts organizations to test demand for the proposed EPAC venues. The survey identified 16 potential users of the facility. AMS also received a demand projection from the University of Alberta Department of Music.

The projected demand for the four proposed venues from identified sources is as follows. AMS considers 239 use days per year to be a fully utilized venue and recognizes that additional programming will need to be developed to increase utilization of the Main Theatre. EPAC will explore future partnerships and collaborations to increase the programming of this facility.

Projected EPAC Demand in Use Days					
			Potential Users	University of Alberta	Total
Edmonton Performing Arts Centre					
Venue A	Main Theatre	1600 seats	107		107
Venue B	Second Theatre	650 seats	83	164	247
Venue C	Flexible Studio Theatre	200 seats	229		229
University of Alberta Recital Hall					
Venue D	Recital Hall	200 seats		200	200

In addition, the survey identified:

- Demand for 371 rehearsal hall use days
- Demand by seven organizations for affordable year-round administrative office space

Market and Programming Demand

The market for arts, cultural, and entertainment events in Edmonton includes the City population itself as well as the 34 municipalities in the surrounding metro area. The City population grew by 11.2% between 2006 and 2011, and the metro area population grew by 12.1%, providing new opportunities for expanded programming and audience growth.

AMS worked with Banister Research & Consulting Inc. (Banister) to administer an arts and cultural consumer survey in the Greater Edmonton area. All survey respondents included in the analysis were at least 18 years old and at least somewhat interested in arts and cultural activities. The survey found that:

- **23.6% of respondents reported that they would participate in arts and cultural activities more than they currently do** if a new Performing Arts Centre were to be built in downtown Edmonton.
- The median number of professional live entertainment, arts, and cultural activities or events attended by respondents during the previous two years was 6, and the average was 12.1, implying a core group of patrons that attend a large amount of events each year.
- Popular music concerts (43.9%), musical theatre (42.7%) and non-musical stage plays (30.5%) were the most commonly attended genres.
- Envisioned activity for the proposed performing arts facility closely reflects current affinities and attendance, with popular music, musicals, and non-musical theatre ranking highest.
- Additional latent demand exists for family entertainment and comedy programming in the market, which rank higher in affinity but which are less well attended. For example, comedy ranked third highest of genres respondents like to attend, but only 4.4% of respondents had attended comedy performances at Edmonton venues.

Opportunity

The proposed E-DACC development provides a catalyst for creating a vital cultural core in Downtown Edmonton. In collaboration with existing organizations already along 99th Street, the project will create a critical mass of activity and a diversity of opportunity for cultural engagement. The resulting opportunity to position Edmonton as “the cultural centre of the North” is a unique moment to leverage existing assets and new resources.

The EPAC component of the development is critical to this vision of enhancing downtown Edmonton into a cultural destination as it provides critically needed venues, offers an opportunity to dramatically increase the volume and diversity of performing arts activity in the core, and adds the complementary training programs of the University of Alberta to the cultural mix.²

² See AMS's *Case for the Edmonton Performing Arts Centre Interim Report*, January 2013.

Benefits

The EPAC facilities have the opportunity to benefit the City of Edmonton in the following ways:

Completing the Inventory

- A state-of-the-art 1,600-seat proscenium theatre suitable for opera, dance, and theatre would allow arts organizations such as the Edmonton Opera and the Alberta Ballet to remove the current constraint to artistic and programmatic growth at the Jubilee Auditorium.
- Two additional small theatres respond to a documented need in the community for additional, affordable performance space.
- New rehearsal space provides increased opportunity for performance groups to rehearse outside of the performance venue at a lower cost and creates more flexibility in scheduling at existing venues.

Program expansion

- The relocation of arts organizations currently using the Jubilee Auditorium less than effectively allows the Jubilee the opportunity to increase and diversify programming, bringing new content to the City.
- Developing new partnerships with other arts and cultural organizations creates new arts presenting opportunities in the City and offers the potential for additional content for the community.

“Place-making”

- A critical mass of cultural venues, activities, and artists, combined with new commercial and retail development, helps to make downtown Edmonton a vibrant, vital destination developed around a “cultural core.”

Market-making

- The E-DACC development and the cultural core will increase the amount of people, including university students and staff, professional workers, and arts patrons, visiting the area each day.
- By working together, the cultural institutions along 99th Street can benefit from collaborative efforts to grow, broaden, and diversify their audience and support bases, a critical effort going forward.
- Strengthening the downtown cultural core enhances opportunities among arts organizations for shared services that develop market knowledge, expand communication, and promote downtown Edmonton as a cultural destination.

Collaboration

- Developing EPAC venues that meet the needs of the University of Alberta Department of Music facilitates a move downtown, bringing over 1,100 students in music and art and design into the cultural core and creating opportunities for collaboration between the University departments, students, and existing professional cultural organizations.

Realistic operating economics

- The business plan for EPAC is embedded in that of the larger E-DACC development. This broader model:
 - Informs and supports the goal to secure diversified, dedicated revenue streams to support the Centre's goals of affordable space
 - Provides funding, by way of a facility cost subsidy, for the Centre's performing arts component
 - Reduces reliance on the City for continued operating support.
- While the vision for EPAC addresses the future vision of the City, operating projections are firmly grounded in realistic current activity and demand in the market.

Comparable Cities

In seven cities of similar size, composition, and artistic aspiration,³ a central Performing Arts Centre, comprised of multiple venues and diverse programs, serves as a key component in the community's arts eco-system, complementing a robust inventory of independent performing arts facilities, and University venues and training facilities.

The venue inventory varies for each City and is based on several factors, including population, demographics, market demand for performing arts activities, and the size, structure, and development level of the performing arts industry itself.

Impact

Intended Impact

EPAC's intended impact is:

- To create a synergy between the University of Alberta, School of Music, the proposed Performing Arts Centre, and the broader Edmonton community.
- To provide affordable venue and rehearsal space for local performing arts organizations and the University of Alberta
- To encourage increased diversity of cultural programming in downtown Edmonton
- To be a catalyst for transforming the downtown Arts District into an arts and cultural destination

It is recognized that the development may also impact the local arts and cultural market through redistributed activity and the potential of expanded programming.

³ Comparable cities that AMS studied include Nashville, TN; Providence, RI; Milwaukee, WI; Hartford, CT; Salt Lake City, UT; Calgary, AB; and Montreal, QC.

Direct Impact

Performing Arts Rental Activity

With the addition of new venues, there will be some redistribution of rental activity.

- The resulting **impact on local venues is defined as loss of revenue from re-located activity in similarly sized halls**. It occurs in four categories: foregone rent (not inclusive of labor and equipment), ticketing fees, facility fees, and concessions or “per diem” revenues.
- Sixteen organizations, plus the University of Alberta Department of Music, have indicated they are interested in using EPAC facilities. Of these, fourteen indicated they may relocate current activity from other venues.

Based on information provided by potential users, an additional 15% contingency for unidentified activity, and excluding the impact on the Jubilee, which is expected to be offset by increased commercial programming, the projected impact on existing venues is estimated to be largely nominal ranging from a low of \$1,500 to a high of \$26,000 in possibly forgone revenues in a single year, as illustrated below.

Projected Impact of Relocated Activity			
	Capacity	Use Days	Potential Impact
Jubilee Auditorium	2,500	79-90	Offset by increased commercial activity
Winspear Centre	1,932	5-6	\$20,400-26,000
UofA Myer Horowitz Theatre	720	1-2	\$1,500-3,000
Citadel	200-686	3-4	\$9,800-12,300
UofA Convocation Hall	426	7-8	\$4,200-4,800
TransAlta Arts Barn	180; 370	38-44	\$12,500-14,400
Grant MacEwan - John L. Haar	363	10-12	\$8,200-9,600
UofA Timms Centre for the Arts	100; 289	18-21	\$20,800-24,100
Alberta College- Muttart Hall	254	4-5	\$4,400-5,060
La Cite Francophone Theatre	240	32-37	\$17,400-20,000
C103 (formerly Catalyst)	138	12-14	\$4,720-5,500

For each of the not for profit venues, potential impact is less than 1% of annual operating expenses, with the exception of L’UniThéâtre, operator of the theatre at La Cite Francophone, at 2.8%. It is expected that these impacts can reasonably be absorbed by these venues through rental use by other organizations, expanded program opportunities resulting from the increased visibility of the arts sector.

Replacement Activity:

Previous studies⁴ have indicated that over half of Edmonton’s venues, including the Jubilee Auditorium, the Citadel, the TransAlta Arts Barn, Muttart Hall and the University of Alberta’s Myer Horowitz Theatre,

⁴ Karen Ball, PNCA Collaborative Architecture of Calgary, Stephen Schroeder, Pamela Anthony. “Edmonton Performing Arts Centre Community Needs Assessment- Revision #1.” September 2011. AND Schick Shiner and Associates. “Edmonton Performing Arts Centre Needs Assessment.” November 2011.

Convocation Hall, and Timms Centre, are highly utilized, leaving very few prime or consecutive dates available for rental.

- Expanding the venue inventory increases opportunity for new and emerging organizations, presenters, and self-produced performing artists to rent space at both the new and existing venues.
- The addition of two new rehearsal halls provides a less expensive alternative to renting a full venue for rehearsal and opens up the venues for more actual performance rental.

The Jubilee Auditorium has indicated sufficient excess demand to offset any vacated dates with new or expanded programming. Venues such as the Winspear or Citadel that have higher rental fees than other existing venues in the area, due to higher labor and equipment costs, may have more difficulty attracting new replacement activity.

Presenting Activity:

The current business model for EPAC does not include any presenting activity⁵ by the organization itself.

Programming models for comparable Centres in other cities show that successful presenting activity that is carefully coordinated to complement resident or home companies and other local venue offerings can increase the diversity of programming available to the community and expand both the size of the market and frequency of attendance. A future study will be conducted to explore the option of partnering with other local venues to co-present incremental programming.

Meeting and Event Rentals:

Aside from its venues, proposed EPAC facilities include one banquet space, a patron's lounge, and lobby space that can be rented for meetings and events.

Current projections include 14 days of non-performance venue rental and approximately 80 meetings and events in ancillary spaces (including up to 30 events which are in conjunction with performing arts rentals, such as pre and post-show receptions and donor events). Additional meeting and banquet projections are based in part on anticipated increased demand for this type of space in the area due to the proposed new office buildings on and around the E-DACC site, the presence of the University of Alberta, and operating experience in similar venues.

Indirect Impact

EPAC will bring additional performing arts content to downtown Edmonton, which may increase competition for entertainment dollars in the area. However, according to the AMS and Banister market survey, nearly one fourth (23.6%) of adults in Edmonton who are interested in arts and cultural activities indicated that they would increase their participation in arts and cultural activities if a new Performing Arts Centre were to be built in downtown Edmonton.

⁵ Presenting is an activity whereby the venue takes risk to "present" programming itself rather than only renting the facility to other users for their purposes.

It is also noted that 32% of respondents often attend sporting events and 43.9% attend popular music events currently provided through multiple venues in the market. While new facilities are being developed for these types of events, a large increase in events or performances is not expected, as the planned arena will replace an already active facility.

As partnership opportunities are developed to increase the arts and entertainment opportunities available to residents and visitors to Edmonton, the EPAC project team will continue to monitor:

- The development or renovation of other venues in the market, including the future of the MacEwan West Campus, the new arena downtown, and the future use of Rexall Place.
- Shifting demand due to the growing population and changing interests, demographics, and priorities of the Edmonton audience base.

Collaboration among key venues and stakeholders in the Arts District will be important to elevating the Arts District as a whole into a cultural destination and work has begun to explore joint opportunities.

Conclusion

E-DACC is a transformative opportunity for downtown Edmonton, enabling the City to become an arts and cultural destination. The three components: EPAC, The University of Alberta, and the Commercial and Retail development, work together to bring additional energy and vitality to the project and the downtown Arts District, while creating a sustainable business model that reduces reliance on the City for continued support.

The EPAC component of the development will provide needed facilities, affordable venues and rehearsal space for local performing arts organizations and the University of Alberta, enable increased diversity of cultural programming in downtown Edmonton, and be a catalyst for transforming the 99th Street Cultural Corridor into a vibrant arts and cultural district.