

*Nineteen on the Park!*

Capital Revenue Strategy

for the

Town of Whitchurch-Stouffville

*Produced by*

**Hennessy**  
AND ASSOCIATES

*Presented*

*February 20, 2007*

# Table of Contents

---

	Page
1. EXECUTIVE SUMMARY	3
2. INTRODUCTION & METHODOLOGY	
2.1 Introduction	6
2.2 Overview of the Process	6
2.3 Interview Selection	6
2.4 Interview Preparation	7
2.5 Interview Questions	7
2.6 Methodology	8
2.7 Individuals Interviewed	9
3. FINDINGS & OBSERVATIONS	
3.1 Familiarity with 19 Civic Avenue	10
3.2 Support for 19 Civic Ave. as an Arts, Culture and Entertainment Centre	10
3.3 Governance Models	13
3.4 Funding Goal	14
3.5 Case for Support	20
3.6 Leadership	21
3.7 Current Development Environment	21
3.8 Partnerships	22
3.9 Strengths & Weaknesses	23
4. CONCLUSIONS & RECOMMENDATIONS	25
5. APPENDICES	26
<b>A</b> Project Backgrounder provided to interviewees	
<b>B</b> Federal Government: Eligible Funding	
<b>C</b> Cultural Spaces Canada	
<b>D</b> Memo on the Ontario Trillium Foundation	

# 1. Executive Summary

---

## 1.1 Overview

The process of developing a capital revenue strategy is investigative. It serves as a part of the first building block to enable *Nineteen on the Park!* to move forward to the next step in its revitalization. One facet of this process is to develop the base for capital funding beyond designated support from the Municipality of Whitchurch-Stouffville. The methodology tested the level of community and government support regarding the Town's plans for the redevelopment of the Old Town Hall at 19 Civic Avenue. This investigation explored community readiness for the transformation of the Old Town Hall into *Nineteen on the Park!*, a centre for arts, culture and entertainment, and the capital funding it will entail. It explored possible avenues of funding from two senior levels of government. A capital building campaign needs to be built on a sound knowledge of its place in the community and its capacity to raise support.

## 1.2 Goal and Methodology

The goal has been to gauge a credible level of support from the two senior levels of government and the private sector based on a projected budget of approximately \$2.5 million. The study tested a funding formula of 50% from the Town of Whitchurch-Stouffville, 25% from the federal and provincial government, and 25% from the community.

The methodology was based on confidential, arms-length, in-person interviews with community, arts, business and governmental decision-makers together with current research.

The study is part of a larger undertaking by Novita Interpares Ltd. to assess the existing market and latent demand in the Municipality for an event centre that is focused upon the arts, culture and entertainment sectors. The objective of the Capital Revenue Strategy consultation program was to test potential financial support through a "community based" fundraising program to raise funds to off-set the capital expenditures necessary to renovate / rehabilitate 19 Civic Avenue in support of the arts, culture and entertainment sectors. The findings should be regarded as early indications of the projects ability to match the Town's designated funds of \$1.25 million.

## 1.3 Interview Subjects

Interviews with thirty individuals were conducted between December 2006 and February 2007. Key representatives from the arts, business, government

sectors and the community at large were selected. All non-government interviews were confidential.

## 1.4 Findings and Observations

- Familiarity with 19 Civic Avenue  
Almost all respondents were familiar with the heritage building. There was a sense of frustration that the building has remained vacant for a number of years. Known as the Old Town Hall, this 100-year-old building represents both the long spread of history of Stouffville and the potential to be the catalyst that revitalizes the economic development of the downtown Main Street.
- Support for an Arts, Culture and Entertainment Centre  
There was general support for the use of 19 Civic Avenue as an arts, culture and entertainment centre but there were strong opinions from different sectors within the cultural community on how the space would be interpreted to best serve both the performing and visual arts. Novita's Business Plan estimates that 73% of bookings of the facility would be arts-related. The performing arts constituency expressed the need to define clearly that the multi-functional use of the building will not diminish the quality of sound, lighting, equipment or other technical requirements for particular performing arts uses.
- Governance Models  
Interviewees responded strongly to either the model of an arms-length Board of Management or the model of an incorporated not-for-profit organization with charitable status. A community campaign for the project would not succeed without a governing body operating at a distance from the Town.
- Funding Goal  
Funding of \$625,000 or 25% of the \$2.5 million goal from the provincial and federal governments is possible, but it is premature to estimate if it is achievable at this time. It will depend on further information including the selection of the governance model, the ratio of professional art user groups to amateur groups, and the will of the Town to make this project a priority.

76% of respondents representing the community considered a community campaign could succeed if the project met a number of conditions. 20% had no comment and 4% were not interested in the project and therefore did not think it would succeed.

Some of these conditions included:

- A need for the municipality to be at arms-length from the management of the facility;
- The use to be clearly defined as primarily for arts, culture and entertainment;
- Policies to be adopted to address scaled rental rates to favour not-for-profit arts groups. The arts component is considered key to generating capital funding from the private sector and government.

- Case for Support

*Nineteen on the Park!* is considered the key element in the Town's larger plan that includes the revitalization of downtown Main St. and the park behind the building. The restored heritage building with the Clock Tower, the outdoor square and a new rear plaza presents a powerful image of a gathering place and a gateway to the parkland behind. Using the facility as a space for many cultural uses and more makes a strong business case for the facility to operate with a balanced budget.

## 2. Introduction & Methodology

### 2.1 Introduction

*Nineteen on the Park!* is an initiative of the Corporation of the Town of Whitchurch Stouffville. The Town plans to revitalize its heritage property at 19 Civic Avenue and turn it into a centre for arts, culture and entertainment events. As a facet of the business plan for the project, Hennessy + Associates (H + A) has prepared a capital revenue strategy.

### 2.2 Overview of the Process

The objective of the capital revenue strategy is to gauge a credible level of capital support for the project from the two senior levels of government and the private sector based on a projected budget of approximately \$2.5 million. H + A tested a funding formula of 50% from the Town, 25% from the two senior levels of government; and 25% from the private sector. The methodology to achieve this objective was based on arms length, in-person interviews with community, business, and government decision makers, together with current research relevant to support for recent capital projects.

This report looks specifically at the project from the perspective of a funding strategy. It is meant to complement the Novita Interpares Ltd. Report which conducted surveys for the purposes of preparing a business plan, governance and operating model.

### 2.3 Interview Selection

Confidential, in-person interviews provided preliminary insights of what the community capacity will be to support the project financially:

- The strengths and weaknesses of the preliminary case for support
- Roadblocks that will need to be overcome
- An identification of business and community leaders
- Potential leaders for a community fundraising campaign

The interview process is a traditional, well-proven format in the development of capital revenue strategies and feasibility studies. The interviews provide a confidential format to gauge the receptivity of the community, identify donors, leaders and define potential problem areas.

Individuals were carefully selected to provide a reasonably broad scope of the community that will support, use, enjoy and benefit from the facility as an arts, culture and entertainment centre. They included key people in politics, the performing and visual arts, heritage and arts education, business

owners and managers on Main Street, people living in the country outside Stouffville, head office executives in Toronto.

Thirty interviews were undertaken with individuals in Whitchurch-Stouffville, Toronto and Markham as well as representatives from the two senior levels of government. Most of the interviews (77%) were one-on-one, in-person interviews.

## 2.4 Interview Preparation

Interviews were scheduled for thirty to sixty minutes. A summary of the project, the building and its history was provided to the interviewees. To aid respondents in addressing the feasibility of financial support from the community, they were given a list of potential donor recognition or named spaces within the facility and a list of standards of giving, which showed a traditional breakdown of donations or sponsorships by level of giving.

Interview questions were developed in advance and used in an informal manner as the basis of all interviews.

## 2.5 Interview Questions

The interview style was informal. The project was introduced and the questions asked without the aid of a written questionnaire, allowing the conversation to flow in order to provide opportunities for respondents to add pertinent information.

Interview subjects included:

- Familiarity with the building
- Vision of the project and its case for support
- Support for concept of the project
- Level of support for the project and rationale
- Support for concept of funding contributions from the private sector
- Identification of sources of support
- Timing for a campaign
- Strengths and weaknesses of the project
- Leadership
- Level of visibility for the project
- Level of support from interviewee as a potential donor
- Donor recognition and named spaces program

All interviews were discreet and confidential. The findings of all interviews are provided in this report but individual comments are not identified. The outcome of the interviews and research provides the basis of preliminary information on the feasibility and level of support from the two senior levels of government and the community. This establishes a basis for a capital revenue strategy.

## 2.6 Methodology

Action Area	Details
Assignment Review	Review other project's budget and timeline
Fundraising Climate Assessment	Assess other capital projects underway or planned for the municipality
Preliminary Case for Support	Write a preliminary case for support outlining the project: what it is, who it is for, how much it will cost, why it is relevant and how it will enhance the town for its community and tourists
Funding Formula	Review the existing funding formula, identifying areas of opportunity from government and private sector sources
Standards of Giving	Prepare a standards of giving chart
Donor Recognition	Prepare a named space program with price tags
Interviews	Develop a short list of key individuals in the WS business area and the local community for purposes of interviews
	Schedule of interviews
	Conduct interviews
Final Report	Organize findings in a final project report

## 2.7 Individuals Interviewed

The following is a list of the individuals interviewed for the *Nineteen on the Park!* project:

	<b>Individuals</b>	<b>Affiliation</b>
1	<b>Laura Arsenault</b>	Branch Manager, CIBC Stouffville
2	<b>Audrey Barker</b>	Principal, Barker Roofing & Siding
3	<b>Janet Barthau</b>	Principal, Barthau Jewelers
4	<b>George &amp; Jane Bishop</b>	Retired Torontonians; Business owner in music industry
6	<b>Harry Bowes</b>	Arts activist; Retired City Councillor
7	<b>Dianne Bridger</b>	Public Affairs Co-ordinator, Novopharm Ltd.
8	<b>Diana Bullock</b>	An organizer of Stouffville's Studio Tour
9	<b>Ruth Burkholder</b>	Past President, W-S Historical Society
10	<b>June Button</b>	Former Councillor, member of W-S Cultural Committee
11	<b>Eric Button</b>	Lawyer with Button, Armstrong & Ness; Chair, BIA
12	<b>Charlotte Cave</b>	Proprietor, Chic Thrills, Main St.
13	<b>Lloyd Cherniak</b>	VP Land Development, Lebovic Enterprises Ltd.
14	<b>Dave Duggan</b>	Fire Detection Devices Ltd.; Former Chair, Clock Tower Committee
15	<b>Wayne Emmerson</b>	Mayor, Town of Whitchurch-Stouffville
16	<b>Janet Geddes</b>	Branch Manager, Scotiabank, Stouffville
17	<b>Sally Han</b>	Arts Consultant, Department of Canadian Heritage, Ontario
18	<b>Wayne Hill</b>	Executive Director, YDAPA (York Durham Academy for the Performing Arts)
19	<b>Ruth LeBlanc</b>	Manager, BIA
20	<b>Hugh Macklin</b>	Schickedanz
21	<b>Pam Mandich</b>	Member of CAHWS (Culture, Arts, & Heritage for W-S); Advisory Board member, YDAPA
22	<b>Bill McKinney</b>	Branch Manager, TD Investment Services Inc.
23	<b>David McLachlan</b>	Ministry of Culture, Cultural Industries
24	<b>Kate Oxley</b>	Ministry of Culture, Heritage Advisor
25	<b>John Pugsley</b>	Program Manager, Central Region, Ontario Trillium Foundation
26	<b>John Saringer</b>	Engineer; Academic; Businessman
27	<b>Sue Sherban</b>	Member of CAHWS (Culture, Arts, & Heritage for W-S); Former Mayor
28	<b>Mark Thompson</b>	Government of Ontario, Capital Grant Program for Libraries and Heritage Programs
29	<b>Alexia Touralias</b>	Infrastructure Canada, Ontario Division
30	<b>David Windross</b>	Vice President, External Relations, Novopharm

## 3. Findings & Observations

---

### 3.1 Familiarity with 19 Civic Avenue

Almost all respondents were familiar with the heritage building and adjacent clock tower on Main St. There was a sense of frustration that the building, which represents a long spread of the history of Stouffville, has remained vacant and deteriorating for a number of years. Most were familiar with the origins of the building as a market, theatre or 'opera house', and town hall. After a number of failed plans and studies on how the building might be restored and returned to use, there appeared to be a hope for a solution that could revitalize the building and open it as a resource for the community.

Relevant quotes from respondents:

*"I'm familiar with the long history of failed studies by consultants looking at rejuvenating the building. This has to go ahead. It's just a question of 'how'. Why does it cost \$2.5 million? Is it because small is more expensive?"*

*"I'm very tired of the building not being used and falling apart."*

### 3.2 Support for 19 Civic Ave. as an Arts, Culture and Entertainment Centre

While there was general support for opening the building and for its use as an arts, culture and entertainment centre, there appeared to be strong opinions on just what that would mean.

*"I'd like to have seen a larger, dedicated theatre. However I'll go along with the Town's current vision for a multi-use space as long as it includes a performance space with tiered seating and professional sound and lighting, change rooms and a method of getting props upstairs."*

*"The big vision is fabulous. If it's nice enough people will come. Combine it with the heritage train, apple picking, etc. – there are so many economic opportunities. Think daytrip cultural tourism. Think about how this facility could help attract doctors."*

### 3.2.1 *Nineteen on the Park!* vs. a large performing arts facility

- There is a background of opinion on whether the town should have a dedicated performing arts centre with a 300-350 seat capacity. This vision seems to compete with the *Nineteen on the Park!* vision, where the 6,000 sq. ft. space (with a 600 sq. ft. addition approved by Council) is estimated to be able to accommodate a performance space with a capacity of only 120-140 seats.
- Most respondents saw merit when the interviewer suggested looking at *Nineteen on the Park!* as serving a different purpose and as a first step possibly towards a later, larger performing arts centre. Many thought the Town didn't need a 300+ seat theatre at this time but would need one in five to ten years.

*"It will be important to distinguish between this and a future, bigger performing arts centre. Someone needs to make sure the community understands this as complementary to a bigger theatre."*

*"A 300-400 seat theatre is not needed now. Maybe in ten years."*

*"Anything less than 250 seats won't work."*

### 3.2.2 Breakdown of the cultural community

The arts encompass the visual arts (art, crafts), the performing arts (theatre, music, dance) and heritage activities (festivals, community events), and, although many people are interested in the whole mix, each of these areas has its own advocates and its own vision on how the project space might work in their favour.

- **Performing Arts Advocates:**  
The performing arts advocates are the most passionate and vocal about wanting to see a purpose-built theatre. They are concerned that a multi-use facility would be outfitted and programmed to serve the lowest common denominator and, as such, would not serve the performing arts area well. Some saw the size in a positive light, comparing it to the theatre facility in Port Perry's **Town Hall 1873**, and to one at Toronto's **Todmorden Mills**. The Port Perry theatre in particular has many similarities and works successfully as a small theatre space for the professional Borelians Community Theatre and the Scugog Choral Society. It is considered a great resource by the community. It has about 130 seats, is located in the centre of

town in a heritage building and is accessible in spite of having very little dedicated parking. Todmorden Mills is a small heritage museum and arts centre with the Papermill Theatre, home to the Eastside Players and others.

*"There is a theatre heritage in the Stouffville community but, because there is no theatre, people go elsewhere."*

*"To get the theatre lovers you must make a space that will work for them."*

*"When you build this people will come – theatre people."*

- **Heritage Advocates:**

Heritage advocates favour the project as it is envisioned. It will return to its origins, at least as a performing arts space, and, possibly as an outdoor space for a small farmers' market. In serving the heritage community's own needs, the interviewees saw it as useful for a meeting and gathering place, an exhibition space and for speaker's forums on heritage subjects.

- **Visual Arts Community:**

Although the Latcham Gallery would like to see the venue as its own dedicated home, it remains optimistic that it can use the facility for its own purposes for special galas, receptions and exhibitions. In addition, a few people mentioned that they would like to see artists and crafts people using the space.

- **Arts Education:**

Many respondents expressed the hope that the facility would offer arts programming for children and youth. York Durham Academy for the Performing Arts (YDAPA) was singled out by many as an extraordinary and successful arts education program for huge numbers of young people. Several respondents thought the facility should have a below ground floor to allow for more workshops and storage facilities and to teach a full range of theatre arts including set, prop and costume design.

*"If it's a charity, we would give. If it's a venue for children and youth, we will be that much more supportive."*

*"Bringing the kids downtown is what is going to save the downtown."*

*"There are five schools within walking distance of 19 Civic Ave. The kids could do volunteer hours. Arts students could design the sets. It will have to support a cast of thirty to fifty students."*

### 3.3 Governance Models

Respondents were asked to comment on three possible governance models:

- 1. Departmental Oversight**
- 2. Board of Management**
- 3. Incorporated Not-for-Profit Organization**

See Novita's Business Plan for further detail and a comparison of these three models.

#### 3.3.1 Community Response

- It was very clear that the community will not contemplate responding to a capital campaign for the project if it does not have some independence from the municipality; this would exclude the Departmental Oversight model.
- Most respondents will look carefully at the make-up of the Board of Management to see its composition of community leaders in business and the arts with representation from the Town's administration and/or elected officials.
- The composition of a start-up steering committee to oversee the community fundraising campaign, the development and construction, will give people a good sense of whether the facility will be responsive to arts, culture and community needs.

*"Our bank supports community initiatives where the funds are raised by and for the community."*

*"If the project goes forward and the management plan separates Nineteen on the Park! from the town administration and politicians, (our bank) will be there."*

*"I lean towards an arms length Board of Directors, but with Town representation."*

*"Get the community to pay for all the fittings – seats, lights and a sound system."*

### 3.3.2 Government Grant Eligibility

Eligibility for capital funding from the federal and provincial governments fluctuates depending on the governance model to be selected. (See Appendices B-E for more information on eligible government funding.)

- Management model #1 or #2 (Departmental Oversight or Board of Management), with the Town as applicant, would allow the project to be eligible for **Infrastructure Canada's Gas Tax Grant Program**.
- **The Ontario Trillium Foundation** requires model #3 (Incorporated, Not-for-Profit Organization) for eligibility. Should the authority adopt governance model #2 (Board of Management), then the Board would need to partner with an arts organization, or consortium of arts groups with not-for-profit status, to be eligible for Trillium funding. The grant in this case would be made to the consortium or arts group.
- *Nineteen on the Park!* is eligible for funding from the federal government's **Cultural Spaces Canada** under any of the three governance models.

### 3.4 Funding Goal

The funding goal for *Nineteen on the Park!* is approximately \$2.5 million with a projected funding strategy of 50% of the goal from the Municipality of Whitchurch-Stouffville, 25% from the provincial and federal governments, and 25% from the community.

#### 3.4.1 Government Funding

Preliminary findings on research with applicable grants from Ottawa and Ontario indicate there is eligible funding for the project at both levels. It is premature to estimate that 25% of the goal is achievable. It will depend on the governance model selected, the ratio of professional user groups to amateur groups and the will of the Town to make this project a priority. In addition, the Spring Budget from the Ontario Government may have an announcement of a new capital funding program for cultural organizations, for which *Nineteen on the Park!* may be eligible.

## **Provincial Government (Ministry of Culture)**

- **Ontario Trillium Foundation:**  
Maximum allowable for a capital building grant: \$100,000
- There is no other provincial fund currently available from the Ministry of Culture for cultural capital projects. However, the Minister of Culture has a major proposal before the Minister of Finance requesting a capital funding program for small and medium size cultural organizations and projects. A response is expected in March 2007.

## **Federal Government**

- **Canadian Heritage's Cultural Spaces Canada:**  
The project would be eligible for 33% of construction and renovation costs and up to 50% for specialized equipment. At 33%, CSC could give a maximum of \$825,000. However, this amount could be significantly lowered, depending on the percentage of professional arts user groups. The program weights the level of its grants based on a high level of professional arts users. In addition, because the facility would be considered a new arts and culture facility, it would also be considered a lower priority than established ones.
- **Infrastructure Canada's Gas Tax Fund:**  
The Gas Tax Fund helps build communities by providing reliable funding for environmentally sustainable municipal infrastructure projects and by providing funding to increase capacity for long-term planning. It is administered by the Association of Municipalities of Ontario. The grant would likely be small.
- **Canada Strategic Infrastructure Fund ("CSIF"):**  
The federal government will be announcing shortly a replenishment of this fund and it is anticipated that the range of eligible projects might include cultural capital projects, particularly if they have merit as stimulants to the economy.

The Town of Whitchurch-Stouffville would need to make this project a priority to have a chance to succeed. It is a matching grant, so it could match whatever the Town contribution is plus what can be raised from the private sector.

### 3.4.2 Community Funding

The funding goal, based on the strategy of 25% from the community is \$625,000. At this early stage of planning for *Nineteen on the Park!* confirmation of an equal contribution from the senior levels of government is premature. Therefore, the consultants selected a slightly higher community funding goal of \$765,000, as a target figure in which to gauge community support.

Two charts were provided for respondents:

- o Standards of Giving
- o Donor Recognition Program

The Standards of Giving chart was provided to non-government respondents in order to assist them in understanding how the campaign strategy might break down its donations. Its design was based on a traditional building campaign but it was differently apportioned to reflect opportunities it provided for donor recognition through a named space program.

In a traditional campaign, one needs to attain a top gift of 10-20% of the overall private sector goal and to attain 40-60% of the goal from the top ten donors. In this case *Nineteen on the Park!* has a number of nameable spaces that allow for a measured return on investment. The potential top gift of \$250,000 represents 33% of the \$765,000 goal. The community did not respond well to the idea of naming the building as a whole, so the top gift would correspond to the naming of the main event space within the building, tentatively called the Great Hall. Other major named spaces as listed with suggested donor recognition figures show a total of 76% from the top nine donors.

### 3.4.3 Standards of Giving

*Nineteen on the Park!* Private Sector Building Campaign  
Goal: \$765,000

#	Amount	Total	Cumulative	Cum. %
1@	\$250,000	\$250,000	\$250,000	33%
2@	\$ 75,000	\$150,000	\$400,000	52%
2@	\$ 40,000	\$ 80,000	\$480,000	63%
4@	\$ 25,000	\$100,000	\$580,000	76%
6@	\$ 10,000	\$ 60,000	\$640,000	84%
10@	\$ 5,000	\$ 50,000	\$690,000	90%
20@	\$ 1,000	\$ 20,000	\$710,000	93%
120@	\$ 250	\$ 30,000	\$740,000	97%
250@	\$ 100	\$ 25,000	\$765,000	100%

### 3.4.4 Donor Recognition Program

Projected Named Space Opportunities<sup>1</sup>

1. Great Hall (Principal Room)	\$250,000
2. Reception Hall	\$ 75,000
3. Outdoor Plaza on the Park	\$ 75,000
4. Two meeting rooms	\$ 40,000 ea.
5. Elevators, 2	\$ 25,000 ea.
6. Pillars, 6 ("Be a Pillar of the Community")	\$ 10,000 ea.
7. Seats, 120 approx.	\$ 250 ea.
8. Paving stones or bricks	\$ 100 ea.

<sup>1</sup> Spaces may change. The final design may be modified once an architect has been selected. Some gifts may be given without stand-alone recognition.

Produced by

**Hennessy**  
AND ASSOCIATES

### 3.4.5 Opinions on the Funding Goal

#### **Funding Goal Questions:**

Respondents were asked the following questions:

- **Achievability:** Did they consider a community campaign for this project was achievable with a goal of \$625,000-\$765,000 of the \$2.5 million overall cost?
- **Obstacles:** What obstacles would need to be removed before it would be possible for them to support the campaign?
- **Strengths and Weaknesses:** What did they consider the strengths and weaknesses of the project?
- **Naming:** Would they find it acceptable to have the building itself named after a donor? What did they think of the suggested named space program and pricing?

#### **Funding Goal Responses:**

##### **Achievability:**

Interviewees representing government were not asked to comment. Of the remaining individuals:

- 76% believed a community campaign could succeed if the project met a number of conditions. These conditions are listed below in the sub-section, Obstacles & Needs.
- 20% had no comment.
- 4% did not believe in the project and therefore did not think it would succeed.

From a banker: *"We do make pledges. A request of \$10,000 to \$25,000 sounds reasonable for us... We want recognition. It's a form of measurable support."*

From another banker: *"There is a lot of funding and community support for things like bricks."*

*"The campaign would have to be run very, very well and in your face."*

*"Most people want to leave a legacy, so naming opportunities work."*

*"There's a five-digit bank account left over from an earlier campaign to restore 19 Civic Ave."*

*"\$650,000 is not expensive. It will help the downtown out. It's a win/win. My firm will give and I'll help get more from others."*

*"The town can only go so far. It needs the local community to help."*

#### **Obstacles & Needs:**

- The management of the facility needs to be at arms-length from the municipality.
- The use of the building needs to be clearly defined as primarily for arts, culture and entertainment. There are currently misunderstandings leaving a number of people thinking that the building will be used as a community centre.
- A policy on rental rates has been suggested to reflect a scaled rental rate favouring not-for-profit arts organizations over commercial organizations.
- A policy that gives special dispensation to performing arts organizations has been recommended so that theatre companies could rent space for the duration of a run, and allow sets to stay in place during this period.
- In order to make the second floor space usable for theatre, performing arts users have indicated they would require:
  - A 'stage' elevator for transportation of musical instruments such as a piano and for props and sets to the second floor
  - Two change rooms
  - A retractable curtain

### 3.4.6 Naming

Most respondents did not like the idea of the building being named after a donor, particularly a commercial or business name. They did not mind the principal space, tentatively called 'The Great Hall', being named after the lead donor.

On a comparative basis, most people conversant with named space programs thought the price tag of \$250,000 was reasonable for the principal performance space. They thought the naming opportunities would strengthen the fundraising appeal.

The Town has an existing policy for the naming of public buildings, spaces, and facilities. The Lebovic Leisure Centre naming program included \$500,000 from Lebovic Enterprises for naming rights to the Centre; \$100,000 from Fieldgate Homes for the naming of the Fitness Centre exercise room; and a naming gift from the CIBC for the W-S Library.

### 3.5 Case for Support

There are a number of elements in the case for support from the community perspective.

- *Nineteen on the Park!* is the key element in the Town's larger Precinct Plan that includes downtown Main Street and the lands behind the building. The big vision of the building with the clock tower and outdoor plazas front and back as a gathering place and a gateway to the parkland behind is powerful.
- Programming Accessibility is another strong point in gathering wide support – the facility is not only for theatre-goers that are perceived by some as 'elitist' but will offer a wide spectrum of cultural and entertainment activities that that will reach out and attract a broad audience. These are noted in detail in the Novita Business Plan.
- There is a concern that as an arts facility it will lose money and cost the taxpayer. The Novita report outlines a sound business case that provides convincing evidence of who will rent it, how often and for how much. This is tied to the operating expenses and shows that the facility will not be a drain on taxpayers.
- Volunteerism will be important in the operations of the building and the organizers of the capital fundraising can set the stage for this by getting volunteers involved in the planning stage as members of a Start Up or Steering Committee; by helping with the fundraising; the public awareness campaign; the organization of the gala opening week events; and by giving donations. Every act of volunteerism at the start-up gives the individual a sense of ownership in the project.
  - The revitalization of the original Town Hall will give the community a sense of pride in its heritage and a hundred reasons in a year to come downtown a stay a while.

- If the soul of any community is its arts and artists, this restored hall will add to the soul of the community by providing a space dedicated to celebrate its arts in all its forms for young and old.

*"The community will support a building campaign if the case for support is right and it will benefit the town."*

### 3.6 Leadership

Once *Nineteen on the Park!* is approved, the Town will need to form a Steering Committee, or a 'Start Up Team' in the words of the Novita report, to see it from the planning stage through to its gala opening.

The first key to leadership is the appointment of the Start Up Team. If the Town chooses to seek private sector funding for the project, it will be this initial Team that helps lead the fundraising. The make-up of this body will be critical in its ability to succeed. It will need representatives from various parts of the community: businesses, long time residents, new housing development residents, theatre people, visual arts leaders, arts educators, representatives from the municipal government, and representatives from the development industry.

It will need people who are known and respected leaders in their field. It should include an engineer with knowledge of sound building practices, individuals with experience in capital fundraising, individuals capable of giving major gifts to the campaign, and individuals who can speak for theatre and the arts.

Several individuals amongst those interviewed could fulfill several of these criteria and indicated they would give consideration to an invitation to join a Steering Committee.

Relevant quotes:

*"I'd be willing to help by sitting on a start-up committee. I understand it will include overseeing the construction and participating in the fundraising."*

*"The difficulty in it not belonging to any one group is that it is hard to find a leader that everyone can identify with."*

### 3.7 Current Development Environment

Whitchurch-Stouffville has a number of organizations looking to launch capital funding drives. For example, the Markham-Stouffville Hospital has an on-going capital campaign. There are proponents for a large performing arts centre that may advance plans for fundraising. However, *Nineteen on the Park!*, if it succeeds at Council, will be ready to move forward immediately.

Council has already committed funding for the project by setting aside funds to make the project credible and to make itself eligible for matching funds from government. The Town has assigned \$750,000 from the Hydro Reserve Fund for *Nineteen on the Park!*, and other municipal funds such as Development Charges and Park Trust have been identified to make up the balance of \$500,000 for a total contribution from the Town of \$1,250,000 or 50% of the capital cost.

19 Civic Ave. is a high profile public facility that will attract a large, broad audience, offering a good return on investment to companies wishing to contribute to the good of the community and be recognized for their support. The environment for fundraising is good right now. The Town is growing rapidly. People are moving in the development industry is building houses at an extraordinary rate. It should be a fine time to launch a fundraising drive for a great community resource.

### 3.8 Partnerships

The Town will need to forge links with many partners in order to strengthen its case.

- The BIA is a natural partner and has indicated its enthusiasm for the project and its willingness to spearhead a fundraising drive in the downtown business area.
- The Town needs to find a leader in the development industry that wants to be a champion for the project and possibly make a pacesetting gift.
- Performing arts advocates need to become partners so they can ensure the facility meets their needs and, depending on the governance model chosen for *Nineteen on the Park!*, perhaps so they can help access funding from the Ontario Trillium Foundation.
- The arts educators of the community's youth need to be visible partners because they should be big users of the building and because there are many big businesses that focus their giving on educational outreach programs for youth.
- The doctors in the adjacent medical building could be partners, partly so they can be assured of protected parking for their patients.
- The restaurant and store owners nearby will be partners and help build awareness for the project as soon as it is announced.

## 3.9 Strengths & Weaknesses

### Strengths

- *Nineteen on the Park!* will provide Whitchurch-Stouffville with a performing and visual arts space in a central part of town.
- It will kick-off redevelopment on central Main St. and act as an economic generator for the community.
- It will act as a gateway from the centre of town to the soon-to-be transformed Memorial Park.
- If it becomes a successful arts centre for the community, it could act as a springboard towards a large, dedicated performing arts centre at a later date.
- It will be an important arts education resource for the youth of the community.
- It will bring tourists into town for many of its events.
- It will be a place that is open to the public daily, offering a wide variety of cultural events.
- It will be an attractive space where people will want to gather for events of many kinds.
- Because it is not dedicated to a single user or a single art form, and because it will offer its facilities for some commercial and private rentals it will have the best opportunity to operate on a break-even basis.
- There are several facilities with a proven record of success that were suggested as role models for *Nineteen on the Park!*.

*"It will be good for my business and for others on Main St. I have many customers interested in arts and culture."*

### Weaknesses

- The lack of sufficient dedicated parking is seen as an issue of concern by some, but not all respondents.
- The case for support will need to define more clearly that multi-purpose facilities need not diminish the quality of excellence in sound, lighting, and other technical requirements to suit particular performing arts uses. Arts advocates consider the project is currently lacking in some of these

needs.

- The arts component is key to generating capital funding from the private sector and government.
- Some theatre supporters are only interested in a large performing arts space.
- It is perceived by a few that the cost of renovation is too expensive at \$2.5 million. One supporter noted that he had built bigger buildings for considerably less. It should be noted, however, that the breakdown of the \$2.5 million includes cost well beyond the actual renovation of the 100-year-old heritage building. The budget includes landscaping, fit-up, sound and lighting equipment, retractable seating, life-safety equipment and accessibility requirements.
- *Nineteen on the Park!* is a publicly-owned building on publicly-owned land. The case will need to be strengthened, once it is approved to go ahead, for why this project needs money from the private sector. The response should be made that the Town has funds to restore the building, but not enough to pay for state-of-the art equipment and elevators to make it viable as a space dedicated to arts and cultural community events.

*"I have a concern about parking. The doctors in the medical building will not have enough space for their patients when people are using Nineteen on the Park! during the day."*

## 4. Conclusions & Recommendations

1. The project has the elements for a strong case for support. It will be a catalyst to renew and revitalize the downtown core. The project should be positioned as the keystone in its larger vision for the community which includes Downtown Main Street, the Square, the Building, and Memorial Park.
2. A private sector campaign can succeed if *Nineteen on the Park!* is perceived as a community project to be run by an independent body, whether an arms-length Board of Management or an incorporated, not-for-profit organization.
3. The project will need to be branded as an arts, culture and entertainment centre and, to distinguish itself from being branded as a community centre, it will need to have a space that is suitably equipped for small-scale performances.
4. The Town will need to select a Steering Committee or 'Start Up Team' to carefully reflect the various arts, business and community constituencies. It will need credible, recognized individuals with experience in capital fundraising; experience in supervising building projects and budgets; in arts and theatre; and with the ability, at least by some members, to give major gifts.
5. The most useful long-term management model is the independent Board of Management, which would take over after the gala opening of *Nineteen on the Park!*, when the mandate of the Start Up Team expires. Under this model, a Trillium grant could be accessed through a limited partnership with an arts consortium. The separate incorporation model will leave the project ineligible for one other government grant. The community will accept an independent Board of Management if its members are reflective of the community.
6. The Town should be conservative in its estimates of government funding until it knows more details about its own plans and about its eligibility for funding.
7. The Town and campaign leadership will need to be persuasive with the development community to find a champion and pace-setting supporter for a naming opportunity. As the residential developers have made a commitment to this project through a Voluntary Assistance Agreement (VAA), the focus should be directed toward the non-residential developers. If it is successful with a dozen major donors, sufficient funds could possibly be raised for the project without a broad-based campaign. However, there are benefits of a wider campaign: it builds awareness for the project at the outset, setting the stage for future support, for audiences, for renters and for a possible large theatre later. More testing is needed before the authority can make an informed decision on the campaign model.

## 5. Appendices

---

**Appendix A**      Project Backgrounder provided to interviewees

**Appendix B**      Federal Government: Eligible Funding

**Appendix C**      Cultural Spaces Canada

**Appendix D**      Ontario Trillium Foundation

## Appendix A

### Project Backgrounder provided to interviewees

## **Background: Nineteen on the Park! Project** Town of Whitchurch-Stouffville

### **The Project**

*Nineteen on the Park!* is the working name for the development and restoration of the historic landmark building, 19 Civic Avenue, in Stouffville's town centre, as an event centre for arts, culture and entertainment. In conjunction with this project's development, a planning and evaluation study is currently underway. Investigation of a capital revenue strategy is part of this study.

### **The Vision**

The revitalized *Nineteen on the Park!* will be a multi-faceted culture and entertainment centre programmed by and for the community. It will become a cultural destination providing arts and cultural programming as its principle objective. The vision will build on its history and symbolic association with the Town's identity and its role as part of the cultural landscape for the community's future. Its rustic and quaint architecture will be preserved in keeping with its history.

### **Community Context and Need**

*Nineteen on the Park!* is one of the oldest and most culturally significant buildings in Stouffville's downtown core. The building and adjoining Clock Tower have remained pivotal in the community development and growth, linking the historic main street to the parkland and community facilities to the south. The building, which has been closed since 1999, is beginning to show signs of deterioration impacting the perception of the future of the downtown area.

Whitchurch-Stouffville has a proud history symbolic of small town Ontario. With a rapidly growing population, *Nineteen on the Park!* will provide an enriched cultural component to the downtown district for the community's future. As an event facility, with flexible cultural programming, it will fulfill a community need and build on existing links with the Town, area school boards, businesses, arts and culture organizations as well as residents and visitors. The Town wishes to engage the community in this revitalization project.

### **History & Heritage**

In some respects, the red brick building is returning to its roots as a cultural gathering place. Constructed in 1896, it was originally envisioned as a concert hall. Located behind the old Fire Hall, marked by the present-day Clock Tower, the building housed a concert hall and market. In 1923 the building's upper floor became a movie cinema (the Auditorium Theatre), showing silent movies. For several years in the 1920s Ernie Stouffer operated a garage on the main floor, followed by a bowling alley and billiard parlour.

Produced by

**Hennessy**  
AND ASSOCIATES

The building was remodeled in 1923 and became The Stanley Theatre. The National Theatre Services took over the theatre in 1949. Again in 1959 the building was remodeled and housed the Village of Stouffville's municipal offices and acted as council meeting hall until 1970. It continued as the home of municipal offices for the Town of Whitchurch-Stouffville until 1997. The building has been vacant since 1999. In 2002 the building was given heritage designation as being of historic and architectural value and interest under the authority of the Ontario Heritage Act.

### **How It Will Work**

The revitalized *Nineteen on the Park!* will be a multi-purpose event centre designed to enhance the quality of life for residents and visitors. With back-to-back programming it will become a hub of activity. The flexible programming space will be able to accommodate a variety of community-based arts and culture programming such as:

- Exhibitions, films, live theatre, dance and musical performances
- Concerts and rehearsals
- Corporate and social receptions, meetings, workshops and functions
- Community events (horticultural, craft, cooking etc.)
- Weddings, social functions

Remaining under Town ownership, *Nineteen on the Park!* will:

- Provide cultural programs and activities based on identified community need;
- Provide flexible space to accommodate around 120 people;
- Support community based cultural groups and organizations with partnership opportunities;
- Complement the "meeting place" role of Civic Square and Memorial Park and;
- Provide programming that promotes increased pedestrian traffic in the core area.

The proposed uses and programming will take place within the building. Partnerships and collaborative opportunities with other funding bodies, foundations and groups to deliver and provide programs, services and facilities will be explored.

### **Revitalizing the Building**

Preliminary capital cost estimates for the project total \$2.5 million and include:

- Capital renovation of the building with minor additions and retrofit to achieve flexible programming space;
- Fit-up to accommodate multi-programming space, including lights and sound system, telescoping seating, prep kitchen and beverage serving area, etc., and;
- Engineering, architectural, project management, fundraising, landscaping, signage costs and contingency.

### **Project Management**

The rehabilitation and redevelopment project for 19 Civic Avenue is managed by David Dautovich (Design Connection International) for the Town of Whitchurch-Stouffville. The project team includes Novita Interpares Inc., an international theatre planning company and Hennessy & Associates, funding strategists to address the capital revenue strategy.

### **Capital Revenue Strategy**

The objective of the capital revenue strategy is to gauge a credible level of capital support for the project from the two senior levels of government and private sector based on a projected budget of \$2.5 million. H & A is testing a funding formula of 50% from the Town, 25% from the two senior levels of government; and 25% from the private sector.

These interviews form part of the evaluation of capital revenues, to:

- Determine the feasibility of raising the necessary capital,
- Examine the project in light of other relevant capital projects recently completed, underway, in the area

Together these will contribute to shaping a realistic funding formula and the potential levels of funding relative to public and private partners.

Information from: Sally Han, Arts Consultant, Ontario Region, Department of Canadian Heritage

Three potential sources of funding:

### 1. Cultural Spaces Canada:

- Availability of funding: Capital funding available
- Timing: Put in request as soon as possible, but there are no deadlines. The fund will not be replenished before 2010 and it will likely be depleted long before that.
- Eligibility: The *Nineteen on the Park!* project is eligible for this fund; however, Ms. Han says, in considering the level of funding, it will be treated as a low priority because:
  1. The facility will likely have a low content of professional artists and arts organizations using it relative to amateur or non-arts organizations. If this is not the case it will move up in priority and level of funding. If, for example, the professional user groups were estimated to be 20%, and if the eligible amount of funding from CSC was \$500,000, the project would only get \$133,000 based on the professional aspect.
  2. It will be treated as a 'new' organization and the Minister of Canadian Heritage puts higher priority on existing arts organizations as the present government considers them as less of a drain on government coffers. This would affect the level of funding. There is a clear directive on this based on the federal government's indication that it doesn't want more arts facilities.

### 2. Infrastructure Canada:

- "The Gas Tax Fund helps build communities by providing reliable, predictable funding for environmentally sustainable municipal infrastructure projects and by providing funding to increase the capacity of communities to undertake long term planning."<sup>2</sup>
- The **Gas Tax** grant program provides \$5 billion across Canada through local municipalities, for projects that include environmentally friendly waste water treatment and if the architecture includes 'green' elements in its design.
- The contact person is **Alexia Touralias** at 416-973-2164; [touralias.alexia@infrastructure.gc.ca](mailto:touralias.alexia@infrastructure.gc.ca); [www.infrastructure.gc.ca/communities-collectivities/agreements-ententes/gas-essence\\_tax/index\\_e.shtml](http://www.infrastructure.gc.ca/communities-collectivities/agreements-ententes/gas-essence_tax/index_e.shtml)

---

<sup>2</sup> From the Infrastructure Canada website

- The **Association of Municipalities of Ontario** administers the fund program. The applicant must be a municipality. There is additional information on the AMO site.

### **3. Canada Strategic Infrastructure Fund ("CSIF"):**

- The federal government will be announcing shortly a replenishment of this fund and it is anticipated that the replenishment will widen the range of eligible projects and is likely to include cultural capital projects, particularly if they have merit as stimulants to the economy.
- The Town of Whitchurch-Stouffville would need to make this project a priority to have a chance to succeed. It is a matching grant, so it could match whatever the Town contribution is plus what can be raised from the private sector.

The Cultural Spaces Canada Program (CSC) contributes to improved physical conditions for artistic creativity and innovation. It is designed to increase and improve access for Canadians to performing arts, visual arts, media arts, and to museum collections, heritage displays and exhibitions. CSC supports the improvement, renovation and construction of arts and heritage facilities, and the acquisition of specialized equipment as well as conducting feasibility studies for cultural infrastructure projects.

#### I. Expected Results

The Cultural Spaces Canada Program will allow Canadians to participate in, and benefit from access to, activities provided through increased and improved arts and heritage facilities for creation, presentation, and exhibition. The program will result in the:

- increased number of cultural facilities and improved infrastructures;
- improved quality and standards of cultural facilities and infrastructures;
- enhanced effectiveness of the operations of funded organizations.

#### II. Eligibility Criteria

##### A Applicants

Eligible applicants to the Cultural Spaces Canada Program include: non-profit arts and heritage organizations operating in a professional manner, incorporated and in good standing under Part II of the Canada Corporations Act or under corresponding provincial or territorial legislation. Projects presented by provincial/territorial, municipal or regional governments and their agencies, or equivalent Aboriginal peoples institutions or organizations (Aboriginal peoples include Inuit, Métis, Status and Non-Status people) will also be considered. Federal organizations and federal Crown corporations are not eligible for funding.

Applicants must have a clear artistic or heritage focus as part of their vision or mandate that is reflected in their by-laws and/or other governance documents.

For construction/renovation or specialized equipment projects only: Applicants must demonstrate that their organization has been active for at least one year before being eligible to apply to the Cultural Spaces Canada Program.

## B Projects

Costs associated with construction, adaptive re-use or renovation of buildings for arts and heritage activities that are delivered in a professional manner, specialized equipment purchases or feasibility studies are eligible. The program will not support regular or routine building maintenance costs.

## III. Funding

Generally, the program offers support of up to 33% of eligible project costs for construction, adaptive re-use or renovation, and of up to 50% of eligible project costs for specialized equipment purchases or feasibility studies.

Under exceptional circumstances, the program may consider increased levels of support towards eligible project costs. Exceptional circumstances are determined by the Department of Canadian Heritage and may include projects occurring in rural or remote areas, or in underserved populations (such as Aboriginal, youth, official language minority and culturally diverse communities)

### Eligible Costs

Eligible costs must be directly related to the project presented and to one of the following items:

- Feasibility studies related to CSC program objectives, such as those that examine approaches for the development of new facilities or the renovation of existing ones
- Fees and professional honoraria related to the project and to CSC program reporting requirements (including audit fees)
- Professional costs related to architectural or engineering designs, heritage studies, risk assessments, technical studies, and environmental assessments
- Costs related to the acquisition of a property
- Various fees related to property transfers
- Costs related to building, adaptive re-use or renovating a building, including materials, demolition, excavation, labour, etc. and related fixed capital costs
- Costs related to "green" construction and environmentally sound building practices (Please refer to the Environmental Guidelines for CSC clients available from the nearest Department of Canadian Heritage office or on the Departmental website at [www.pch.gc.ca](http://www.pch.gc.ca))
- Specialized equipment purchases as well as their installation costs and initial training related to their operation. For arts facilities, eligible types of

specialized equipment include any piece of specialized technical equipment that is not permanently installed in the space and is specifically related to the artistic purpose of the facility. Examples for creation, production and/or presentation purposes include:

- Sound systems
- Lighting equipment
- Stage curtains
- Staging or rigging equipment
- Multi-media equipment
- Portable dance floors
- For heritage institutions, eligible types of specialized equipment include any piece of equipment specifically related to recognized museological or heritage practices including:
  - Lighting systems
  - Environment control
  - Storage systems
  - Security
  - Fire safety
- The following items are not eligible specialized equipment:
  - Musical instruments (eg. piano)
  - Office equipment, furniture or computers (in general)
  - Ticketing and marketing systems

Deficit financing is not an eligible expenditure.

#### IV. Applying for Support

**Deadline:** Applications can be submitted to the nearest Department of Canadian Heritage office at anytime throughout the year.

**Application forms:** Application forms are available on the Departmental website at [www.pch.gc.ca](http://www.pch.gc.ca).

**Support material:** In addition to submitting the completed application form and responding to all relevant assessment questions, applicants must provide all the necessary support material as required by the application checklist.

Your submission is subject to information requests under the Access to Information Act and the Privacy Act.

#### V. Assessment Process

Projects which best meet program objectives are selected through a two-stage process:

- A regional analysis will prioritize projects on the basis of the assessment criteria (see below) linked to the expected results of the CSC program including the extent to which the proposed project will serve the needs of underserved disciplines, underserved communities and underserved groups such as Aboriginal, youth, official language minority and culturally diverse communities.
- i. Following regional analysis, projects are submitted to a National Review Committee that will evaluate and integrate regional strategies as part of a national program strategy incorporating the distribution of program investments across the country and the national needs of underserved disciplines, communities and groups.

## VI. Assessment Criteria

Applications are prioritized and assessed according to the following criteria:

### **Availability of Spaces**

- Impact of the project on the number and/or capacity of available spaces for artistic creation or presentation, or for the exhibition and preservation of heritage collections at the local, regional and/or national level

### **Quality of Spaces**

- Impact of the project on the modernization, security and safety of spaces for artistic creation or presentation, or for the exhibition and preservation of heritage collections
- Impact of the project on audience comfort and accessibility to artistic creation or presentation, or for the exhibition and preservation of heritage collections
- Benefits to other arts and heritage organizations at the local, regional and/or national level

### **Financial Feasibility of Project and Future Impact on the Organization**

- Expected impact of the project on the level of satisfaction for artists, staff and other users (rental organizations, volunteers, etc.) toward working spaces for artistic creation or presentation, or for the exhibition and preservation of heritage collections
- Confirmation of other sources of revenues and the financial health of your organization
- Sound organizational management
- Expected level of self-generated revenues after the completion of your project
- Deficit free operations after the completion of your project

## Access to and Participation in Arts and Heritage Experiences

- Impact of the project on the capacity to reach new audiences or to enhance or diversify programming
- Impact of the project on underserved disciplines, communities and groups
- Links to the expected results of the CSC program
- Ability to measure the expected results of your project

Processing an application may take up to six months to complete.

## Appendix D

### Province of Ontario & The Ontario Trillium Foundation

#### The Province of Ontario

The Province of Ontario currently offers no funding opportunities for *Nineteen on the Park!* other than the capital grant program of the Ontario Trillium Foundation, which is listed below. This information comes from the Ministry of Culture's David McLachlan, Cultural Industries (Tel. 416-314-7354, david.mclachlan@ontario.ca) and from Kate Oxley, Heritage Organizations Advisor (416-314-7155, kate.oxley@ontario.ca).

Mr. McLachlan indicated that a major proposal is currently before the Minister of Finance requesting a capital funding program for small and medium size cultural organizations and projects. A response is expected in March 2007.

#### Ontario Trillium Foundation

The following information comes from a discussion (February 2007) with John Pugsley, OTF Program Manager, Central Ontario as well as information directly from the Ontario Trillium Foundation ("OTF", "Trillium") Guidelines.

#### Eligibility:

- Of the three management models considered by the W-S administration, the only management model acceptable to OTF guidelines is the separately incorporated, not-for-profit organization. OTF does not require charitable status. The Board of Management model could access Trillium funds, but only in partnership with a non-profit arts organization (see below).

#### Partnerships:

- In terms of accessing a capital grant from Trillium, a partnership with another organization doesn't work because they won't give funding to a partner if the partner is going to turn around and give it to the municipality to spend on the building.
- It could, however, work under the following scenario:
  - The budget for the fully restored, operational facility is divided into two parts:
    1. The actual building restoration (\$1.5 million) is undertaken by the Town of Whitchurch-Stouffville
    2. The outfitting of the interior with retractable theatre seats, theatre lighting, sound equipment, elevator, etc. is paid for through a capital community campaign and other government funding such as Trillium, spearheaded by a consortium of arts partners.

The consortium of arts partners would apply for funding from Trillium for #2. The down side of this that needs careful consideration is that the arts groups would own the equipment. Potential problems could be overcome by having them sign an agreement that the property would remain on site at *Nineteen on the Park!* for ten years.

To illustrate this scenario, John mentioned a current project near Collingwood where the municipality is giving \$9 million in funding for a capital building project for a new Y. The \$9 million goes towards the shell of the building. The Y itself is raising \$1 million for equipping the interior of the building and it has applied to Trillium for a grant to help with the \$1 million. This is acceptable to Trillium.

### **Pros & Cons of the Not-for-profit corporation with charitable status:**

#### **Cons:**

It is not a good model for *Nineteen on the Park!* if it is selected only to make it eligible for a capital grant.

- a. Timing: It will take six to nine months to get incorporated and get charitable status. Only after that could it apply to Trillium. Then it would have to wait four months for a decision from Trillium.
- b. In considering the application at this point, Trillium would look at this organization as untested and new and would likely not give it more than a modest amount (say \$25,000) as a first time grant.

#### **Pros:**

If on the other hand the Town adopts this model for the long term, it offers benefits as it could apply over time to Trillium for operating funds and/or project funds, without going through theater or arts groups, which would then need to administer the funds they received.

#### **Summary:**

The not-for-profit charitable corporation offers long term benefits, both for the eligibility it offers for operating and project funding and for better optics for charitable donations from the community.

If the Town chose to adopt this model, it should do so immediately. It will make the capital campaign in the community easier as the optics make it further distanced from the Town. The campaign could be run by a team selected by the Town as currently planned and then turned over to the new Board, as planned. By the time the general campaign is underway, the incorporated entity would be in place and charitable status likely approved. Capital funds from Trillium would be sought by a consortium of arts groups.

John pointed out that although Trillium provides funding for capital, operating and project funding, it only gives 10% of its overall budget to capital projects. Only 1 in 9 applicants are awarded grants in this area. As there is

more funding put into operating and project funding, the likelihood of success is much greater. One can apply for up to \$100,000 for capital and up to \$75,000 for operating and projects for up to five years.

*Produced by*

**Hennessy**  
AND ASSOCIATES

