

A Proposal for Halifax Regional Municipality
Neptune Renovation 2016

January 15th, 2016

Mayor Mike Savage and Halifax Council
Halifax City Hall, 1841 Argyle Street
Halifax, Nova Scotia B3J 3H5

HALIFAX REGIONAL
MUNICIPALITY

JAN 15 2016

MUNICIPAL CLERK

Dear Mayor Savage and Council Members;

On behalf of the Neptune Theatre Foundation, I am writing to formally request the Halifax Regional Municipality's financial support for a renovation project at Neptune Theatre that is slated to begin in June 2016. Our proposal for financial support was presented to the *Community Planning and Economic Development Committee of Council* on November 19th, 2015.

This renovation project, which has been in the planning stages since 2011, will allow Neptune Theatre to sustain its facilities and its commitment to providing cultural infrastructure to the region over the next decade. The attached proposal outlines the overall goals of the project with respect to infrastructure improvements, technical upgrades, and our ability to serve the cultural community within the Halifax region.

Halifax Regional Municipality is a valuable partner in the continued sustainability of Neptune Theatre we hope that Council Members will recognize the value to the region in supporting this \$3.8 million renovation project. At this juncture, we have already secured \$100,000 in support for the project from Nova Scotia Communities, Culture and Heritage and we are awaiting confirmation of nearly \$1 million in support from our federal partners at Canadian Heritage.

In conjunction with the Neptune Renovation, we are requesting a \$100,000 contribution toward the campaign from the Halifax Regional Municipality. This municipal contribution will assist us in securing support from the federal government and our corporate partners.

Neptune intends to publicly announce the renovation campaign in mid-April 2016, and we sincerely hope that we will be able to acknowledge the municipality's participation in the project at this time.

Thank you in advance for your generous consideration of our proposal. We look forward to your response.

Sincerely,

Amy Melmock
General Manager
Neptune Theatre Foundation

Cc: Acting CAO John Traves, Elizabeth Taylor, HRM Manager, Culture and Events

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Neptune Theatre's Role within the Halifax Region

Neptune Theatre plays a defining role within the Halifax region as a driver of the creative economy and as a provider of vital cultural infrastructure. An **Economic Impact Study** commissioned by the Neptune in 2015 showed that for every dollar spent at Neptune, another dollar is spent on local goods and services, resulting in a direct input of \$7.3 million annually on the regional economy.

Neptune's rehearsal, performance, office and meeting room spaces are used by more than 60 regional performing arts and community organizations annually. And in the course of staging our own productions, Neptune hires the equivalent of nearly 400 theatre professionals annually – from performers to production staff. Of these theatre professionals, an estimated 80 per cent are hired from within Nova Scotia.

Neptune also hires talented artists from the local theatre community to instruct at the Neptune Theatre School. Our summer, spring and fall workshops and year-round theatre intensive programs for young adults encourage a life-long interest in the performing arts while developing the next generation of theatre artists and audiences.

Neptune is a community partner in advancing the cultural and community aspirations of the region. We are active members within the Greater Halifax Arts Coalition, Theatre Nova Scotia and the Professional Alliance of Canadian Theatres (PACT). Our senior managers participate in regional forums surrounding theatre, marketing and the creative economy, as well as lending their expertise to local cultural initiatives in HRM.

The Neptune Theatre Complex

In 1997, Neptune opened its doors to a new 46,000 square foot theatre facility in the heart of the regional entertainment district. The completion of the \$13 million "New Neptune" complex was the culmination of years of fundraising and advocacy on behalf of Neptune supporters and community leaders.

In the 19 years since the New Neptune was unveiled, more than 1 million people have visited the theatre. The Halifax municipality plays a major role in supporting Neptune's infrastructure by providing us with full tax exemption for the Neptune site. In recent years, the municipality has also provided capital support for roofing improvements and video projection equipment. This support – combined with municipal professional arts operating funding -- has been vital to the continued operation of the Neptune.

As we plan for an upcoming renovation of our facilities, Neptune hopes that Halifax Council will recognize the value in continuing to be a partner in Neptune's future.

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Why a Renovation Project is Being Proposed for 2016

After four years of careful planning, consultation and outreach -- accompanied by a two-year period of preliminary discussions with potential funders -- Neptune hopes to begin moving forward with completing of much-needed renovations to the theatre during the summer of 2016.

Since 1997, Neptune has hosted more than 300 individual productions in the 479-seat Fountain Hall Main Stage and the 200-seat Scotiabank Studio. Our facilities are now in need of technical upgrades and renovations that will increase our capacity to serve the needs of our audiences and the cultural community.

During the stakeholder interview phase of 2015 Economic Impact Study, thousands of Neptune patrons indicated that improvements to our service areas and auditoriums and an expansion of our hospitality areas would cause them to invest more in Neptune during their visits to the theatre.

These indicators, coupled with the pending completion of the Nova Centre and the residential growth that will occur in the Halifax regional core during the next decade, make it a compelling time for Neptune to improve its facilities and increase our capacity for audience development.

The \$3.6 million renovation project proposed for June 2016 includes the following elements:

- **Technical upgrades** will be made to our Main Stage Fountain Hall Theatre that will provide improvements in lighting and sound, as well as creating a new stage surface and theatre lift below the stage.
- Improvements to our **Main Stage and Studio Lobbies** will include new paint and carpets and a reworking of our hospitality areas to provide enhanced customer service.
- The creation of a new **100-person Reception and Hospitality area** adjacent to the Upper Fountain Hall Lobby and above the Neptune Box Office will create a new community gathering space.
- **New seating** for Fountain Hall and the Scotiabank Studio Theatre will improve the theatre experience at Neptune.
- **New signage and monitors** will modernize the marketing of our shows and help provide up to the minute information on cultural activities taking place in the community.

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Planning Stages for the Renovation Project

Planning for the renovation activities outlined in this proposal began during Neptune's 2010-2011 Season, when board members and senior management staff finalized the organization's 2010-2013 Strategic Plan. This Strategic Plan identified a series of **major capital improvements** that were needed to move Neptune forward during the coming decade.

During the summer of 2011, Neptune senior managers and board volunteers formed a *50th Anniversary Renovation Campaign Committee* to begin addressing the major capital projects identified in the strategic plan. Using a series of initial recommendations and from the nationally recognized theatre design firm SBA Architects, the committee compiled a detailed overview of the renovation project specifications and issued a *Request for Proposals* for perspective construction firms in the region. Based on a competitive cost analysis and a well-articulated renovation work schedule for the proposed renovations, Castone Construction was identified as the preferred contractor for the project.

Fundraising for the project began in 2012, when a fundraising prospectus for the renovation project and the Neptune's new endowment campaign was created. This activity identified major donors with an interest in supporting the endowment campaigns and recommended that Neptune's key patrons and corporate supporters be approached to support the renovation project. Public sector support for the renovation project was envisioned through contributions from the federal Cultural Spaces Program, the Nova Scotia Department of Communities, Culture and Heritage and the Halifax Regional Municipality.

Anticipated Sources of Funding

In March 2015, Neptune Theatre secured a \$500,000 donation toward the overall renovation campaign from a major patron contribution. In May 2015, Neptune completed an application to the Canadian Heritage Cultural Spaces program for \$900,000. Our proposal has met with a favorable response and we anticipate that federal funding will be announced in the coming weeks. The Nova Scotia Department of Communities, Culture, and Heritage has confirmed a \$100,000 contribution to the campaign. All told, these federal and provincial requests total nearly \$1.1 million.

Neptune has also been working with major corporate sponsors to secure multi-year contributions towards funding the overall campaign. Scotiabank has confirmed that it will contribute to the project by continuing its naming rights agreement for the Scotiabank Studio Theatre. Other corporate support has been secured for hospitality components of the project.

This April, Neptune will launch a community-based Seat Sale campaign to promote the 200 or more unnamed seats within Fountain Hall and the 200 seats within the Scotiabank Studio Theatre. Smaller individual donations to the campaign will also be welcomed through a multi-media campaign.

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Neptune Renovation 2016

Neptune's Audience Base and Community Supporters

On an annual basis, an average of 75,000 people attend the Main Stage and Studio Theatre productions staged at Neptune's downtown Halifax facilities. Our audience consists of a broad cross-section of theatre patrons from throughout the Halifax Regional Municipality and the surrounding region. Through the generous support of our corporate partners, Neptune's *Pay-What-You-Can* program and our new *Sharing the Stage Program* provide subsidized and free theatre access to an estimated 4,000 people each year.

Neptune has a base of approximately 7,000 subscribers – many of whom have been attending the theatre since its inception in 1963. Our subscription base also includes a growing percentage of post-secondary students, thanks to an increased effort in recent seasons to market to this important Halifax demographic. The theatre also has strong ties with the military community in the region, and with educators in the region. We receive support from more than 500 community donors annually, along with the patronage of more than 70 regional and national corporate supporters.

Neptune's Annual School Tour provides outreach to 25,000 students throughout the province during April and May. The tour provides many elementary students with their first exposure to live professional theatre, and gives local actors, playwrights, and directors the chance to explore youth-orientated social issues with high school students using the powerful medium of theatre. In recent years, Neptune has presented contemporary plays written by Atlantic Canadians on subjects ranging from bullying to racism, to the effect of social media on teenage self-esteem. Our 2016 theatre school tour is being co-produced with the Halifax theatre group *Misery Loves Theatre Company* -- and it explores Nova Scotia's role in the First World War through the eyes of one Nova Scotia family.

Summary

- With the support of the corporate sector, our government partners and the community, we hope to begin the renovation project in the summer of 2016.
- Once completed, the renovation will add to our technical capacity in Fountain Hall and create new visitor amenities – like larger, more comfortable seating and a new reception and hospitality area. It will also support the ongoing use of Neptune's facilities by the local community.
- The renovation project is linked to the revitalization of the downtown regional core and supports Neptune's efforts to remain a strong contributor to the regional economy.
- Because 60 per cent of our revenue base is linked to ticket sales, keeping our visitor experience at the best level possible is essential to Neptune's sustainability.