

**REPORT TO PERFORMING ARTS FACILITIES SELECT COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 08, 2021**

SUBJECT **Advancing a Full Regional Performing Arts Facilities Service without Alternative Approval Process**

ISSUE SUMMARY

The Capital Regional District (CRD) Board directed staff to review options for establishing a performing arts facilities service with full regional participation that does not involve a region-wide Alternative Approval Process.

BACKGROUND

On September 8, 2021, the CRD Board considered four recommended motions from the Performing Arts Facilities Select Committee to establish a new performing arts facilities service with full regional participation through a region-wide Alternative Approval Process (AAP). Three out of four motions passed, resulting in a mixed outcome with no clear path forward. Directors who did not support the full suite of motions cited either cost or the approval process selected or both as the main rationale for their decision.

On October 13, 2021, the Board considered a staff report that reviewed the outcomes of the September 8, 2021, meeting. The Board passed a motion for an amended recommendation, namely:

1. That staff take no further action related to Bylaw No. 4445 at this time, nor to its proposed approval process as outlined in the recommendations brought to Board on September 8, 2021.
2. That staff be directed to report back to the CRD Arts Facilities committee with options regarding:
 - a. Moving forward with a full regional service that does not include the Alternative Approval Process
 - b. A sub-regional arts facilities service
3. That the following motion be postponed until after the CRD Performing Arts Facilities Select Committee have reviewed the above two options:

That the CRD Board Chair send a letter to all CRD jurisdictions, outlining the benefits of joining the Royal Theatre Service and McPherson Playhouse Service, along with associated costs, and encouraging non participating jurisdictions to join these existing services.

Full regional and sub-regional possibilities for a performing arts facilities service or multiple related services have distinct considerations. This report examines possible options for a full regional service. A separate staff report, "Options for Sub-regional Performing Arts Facilities Services", should be read in conjunction with this report to understand all possible ways forward (see Appendix A for flowchart of decision-making process for all policy options in both reports).

Support for Full Regional Participation

Several jurisdictions have signaled support for the concept of this new service, while others have indicated that they are not interested in participating. On June 21, 2021, Langford City Council sent a letter to the CRD Board, indicating Langford “does not support the establishment of a new performing arts service” (see Appendix B for full letter). On July 14, 2021, Director Holman read into the record a Motion with Notice: Electoral Areas Exclusion from New Regional Arts Facility Service that “the proposed new regional arts facility service exclude electoral areas, while leaving open the possibility that they can opt into the service voluntarily”. On September 8, 2021, at the Electoral Areas Meeting, both Director Holman and Director Hicks voted in favour of this motion, indicating the electoral areas of Salt Spring Island and Juan de Fuca do not support participating in a regional performing arts facilities service.

ALTERNATIVES

Alternative 1

The Performing Arts Facilities Select Committee recommends to the Capital Regional District Board:

That the Advancing a Full Regional Performing Arts Facilities Service without Alternative Approval Process report be received for information.

Alternative 2

That the Performing Arts Facilities Select Committee recommend to the Capital Regional District Board that:

1. The third reading of Bylaw 4445, “Regional Performing Arts Facilities Service Establishing Bylaw No. 1, 2021”, is rescinded.
2. That staff draft changes to Bylaw 4445 specifying that electoral approval will be sought through region-wide referendum.
3. That staff report back to the CRD Board with detailed costing and timeline for running a region-wide referendum, including additional requirements for staff capacity.

IMPLICATIONS

Alignment with Board & Corporate Priorities

Board Initiative 12a-1 in the 2019-2022 Corporate Plan indicates there is a priority to:

“Facilitate a discussion of the region’s art facility needs & explore partnerships to support 100% participation in the CRD arts functions.”

In 2019, the CRD tasked the Regional Arts Facilities Select Committee with holding discussions on the region’s arts facilities needs and engaging a consultant to design and facilitate a process for public and stakeholder input. The Regional Arts Facilities Select Committee convened five times between November 2019 and March 2021 to hold discussions and advance this work. In 2020 consultations were conducted, which lead to the report *Stage One: A Public Conversation about Performing Arts Facilities in the CRD* as well as an online resource documenting an inventory of arts facilities in the region, including their capacity, location, and functions.

On March 3, 2021, the Regional Arts Facilities Select Committee recommended to the Board that the top recommendation of the report be implemented through the establishment of a new regional performing arts facilities service. On April 14, 2021, the Board approved a recommendation from the Governance Committee to create a Performing Arts Facilities Select Committee whose purpose would be “to define the scope and functions of a regional service that will lead to the drafting of an establishing bylaw for the Performing Arts Facilities Service.” The Performing Arts Facilities Select Committee convened three times between May and September 2021. On September 8, 2021, the Performing Arts Facilities Select Committee reviewed an establishing bylaw, accompanying service plan and financial simulation for a regional performing arts facilities service, and made recommendations to the Board.

Through these two select committees, consultations with stakeholders and the general public, the resultant publically-available report and online inventory of arts facilities in the region, the Board has facilitated discussion of the region’s art facility needs and has fulfilled the scope of work outlined in this Board initiative.

Legislative Implications

Before the new service bylaw can be adopted, it must receive approval of the participating areas and the Inspector of Municipalities. The *Local Government Act (LGA)* provides three ways to obtain approval, to be decided by the Board:

1. *LGA* Section 344: Referendum;
2. *LGA* Section 345: Alternative Approval Process (AAP); or
3. *LGA* Section 346: Consent by Municipal Council (on behalf of electors) and by AAP within the Electoral Areas (Municipal Consent/EAs).

The choice on the method of electoral approval for a regional service is made by the Board, but subject to review of the Inspector of Municipalities at the time of Inspector approval of the bylaw.

Under a municipal consent/EA AAP, lack of support from even one part of the region would mean the establishing bylaw would no longer support a regional service; it would become sub-regional. As indicated through letter (Langford) and through vote at the September 8, 2021, Electoral Area Committee (Salt Spring Island and Juan de Fuca electoral areas voted against), these jurisdictions have already expressed they are not interested in joining a regional performing arts facilities service. As such, municipal consent/EA AAP is not a viable option for electoral approval at this time.

Region-wide AAP has been eliminated as an option for electoral approval by the Board vote on September 8, 2021. Thus, the only remaining option for electoral approval is region-wide referendum.

A region-wide referendum would take approximately four to six months and with an estimated cost of over \$500,000. Running a referendum in conjunction with the 2022 local government elections may not result in significant savings, as the CRD cannot require municipalities to participate by placing the referendum question on their ballots or sharing polling locations. This costing and timeline is an approximation, based on previous experiences with smaller sub-regional referenda. If Alternative 2 of this report were resolved, staff would report back with a more detailed cost estimate and a more precise timeline of next steps.

CRD staff currently do not have the capacity to execute a region-wide referendum as a stand-alone process in the same year as a general election. More staff would need to be hired on a temporary basis to support the legislative requirements of a region-wide referendum.

A motion to pursue a region-wide referendum would also require a two-thirds majority vote at the CRD Board in order to pass.

Bylaw 4445 currently specifies that electoral approval would be sought through region-wide AAP (see Appendix C). In order to advance this initiative by region-wide referendum, the third reading of Bylaw 4445 would need to be rescinded by the CRD Board and staff would need to update the draft of the bylaw to specify that electoral approval is being sought through region-wide referendum.

CONCLUSION

The CRD Board directed the Performing Arts Facilities Select Committee to review options for a performing arts facilities service with region-wide participation that did not involve a region-wide Alternative Approval Process as a way of attaining electoral approval. The staff report details the viability and implications of the two remaining options, municipal consent / alternative approval process in electoral areas and region-wide referendum.

RECOMMENDATION

The Performing Arts Facilities Select Committee recommends to the Capital Regional District Board:

That the Advancing a Full Regional Performing Arts Facilities Service without Alternative Approval Process report be received for information.

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| Submitted by: | Chris Gilpin, Manager, Arts and Culture Division |
| Concurrence: | Rianna Lachance, BCom, CPA, CA, Acting Chief Financial Officer |
| Concurrence: | Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer |
| Concurrence: | Robert Lapham, MCIP, RPP, Chief Administrative Officer |

ATTACHMENT(S)

Appendix A: Flowchart of Decision-Making Process for Policy Options

Appendix B: June 21, 2021 Letter from the City of Langford

Appendix C: Bylaw No. 4445, "Regional Performing Arts Facilities Service Establishing Bylaw No. 1, 2021"