

SHOWPLACE

PERFORMANCE CENTRE

August 5, 2020

To the Standing Committee on Finance and Economic Affairs

Re: The Economic and Fiscal Update Act, 2020 and the Impacts of the COVID-19 crisis on certain sectors of the economy

On behalf of Showplace Performance Centre in Peterborough, thank you for the opportunity to submit this report for consideration by the committee.

Showplace is a non-profit, charitable organization that runs the region's largest Performing Arts Centre (P.A.C). With a main space of 647 seats and a smaller studio space of 100, Showplace's mission is to "encourage and support active community involvement; provide opportunities for local and touring artists to perform in a professional quality venue; and to entertain, inspire, nurture, educate and empower artists and audiences alike."

The impacts of the COVID-19 crisis on our organization have been huge.

At this point, Showplace has lost all bookings until at least January 2021. Unfortunately, no shows at the Centre means zero revenue. Not only have we lost all income through rentals and performances but we have also lost all concession revenue, donations and sponsorships. Most of the other Performing Arts Centres our size across the province are municipally owned and operated and while they are experiencing all the same difficulties, they do have guaranteed municipal funds to fall back on. We are grateful for the City of Peterborough service grant that we receive of \$138,000 per season for help with our operations (about 12% of our overall budget), we are cognizant that every municipality is hurting through this crisis and we are concerned about this going forward.

While the safety of our patrons, our 250+ volunteers and staff is and always will be our priority, the reality of our operations is that we cannot afford to operate within a limited capacity model.

Fifty people attending an event in a 647-seat theatre does not justify the cost of staff, cleaning and general upkeep. Another consideration and concern is that once we are “allowed” to operate at full capacity, our patrons will initially be very hesitant to attend large gatherings and won’t have the same disposable income to enjoy our facility.

Last fiscal year (ending June 30, 2019), our revenue was \$1,174,251. This fiscal (June 30, 2020), our revenue was \$848,695. So far this is a loss of \$325,556 due to COVID-19.

Considering that this loss is based on the impact from March 13 when we shut down to the end of June, just four months of our budget, I am very alarmed to consider the impact to next year with no income coming in for at least the next six months.

In terms of expenses, we unfortunately have had to lay off all of our staff except myself and are not anticipating being able to bring them all back, even when we do finally get to reopen. We have tried to cut our other expenses as much as possible, but the reality is that with owning our own building, there are certain fixed expenses such as insurance and utilities that we must continue to pay.

While I appreciate that some funding has gone to the Ontario Cultural Attractions Fund and the Ontario Arts Council (according to the town hall with Minister Macleod on July 13), the reality is that these organizations support the creation of new works and development of new audiences. There has been very little support for the venues themselves at any level of government.

The Performing Arts Venues were among the first to close in March and clearly will be the last to reopen. The thinking of these venues as just places for “arts” or the thought that what we do is “fluffy” needs to stop. Performing Arts Centres are community gathering spaces. Yes, our venue hosts concerts and performances but we are also a space that hosts graduations, community award ceremonies, community fundraisers, volunteer recognition events, local film festivals, business networking events and many many other important community gatherings.

Showplace Performance Centre is also a large piece of the downtown fabric and brings a large economic impact to the entire city. For example, one weekend dance competition (out of the six we usually welcome) can easily result in over 500 competitors visiting our city, enjoying our hotels, restaurants and not to mention that many of the dance parents love to shop in our locally owned and operated shops. Yet not only is there no funding available to us as a venue to help

us get through this crisis, we do not qualify for any funding from a tourism point of view (despite the idea at the July 13 town hall that there may be funding coming for impacted festivals this fall). I would encourage any funding for festivals to be opened to venues as well as we are all experiencing the same challenges.

Yet another hurdle we are facing is simply our physical infrastructure. With our 25th Anniversary coming up next October, we are in a 70-year-old building with an aging HVAC system, limited distancing options in our washroom areas and the necessity of plexiglass barriers and having to retool our entire concessions area to allow for physical distancing, these costs are going to be a huge detriment to our being able to reopen safely.

In order for venues like ours to be able to reopen at the end of this pandemic, here are a few suggestions:

1. The Canada Emergency Benefit Account was instrumental in helping get us through the first month of this pandemic. If there is something the provincial government is able to do by way of zero interest loans, potentially with a portion forgivable if it paid on time would go a very long way towards helping us get our business physically ready to welcome guests. There will be a lot of initial expenses such as PPE, plexiglass, signage etc. that will be needed in order to reopen to the specifications of the Province and local Health Unit.
2. If we are to stay in Stage 3 for the foreseeable future, there is really no way for us as an independent, nonprofit organization to afford to operate. We cannot proceed with any performances without our staff and cannot afford to pay our staff with no performances. To encourage venues to reopen with smaller audience sizes and make it feasible to bring back our staff, it would be beneficial for the province to consider topping up the Emergency Wage Subsidy. With zero revenue coming in, it is difficult for us to even consider paying just 25% of the employee's wages. Even a 10% top off of the CEWS would go a long way to us bringing employees back onboard. On top of this, continuing WSIB payment deferrals is a very positive way to help our current cash flow situation. If a top up of the CEWS isn't possible, another mechanism that would have the same result may be a seat subsidy. This would allow us to pay full wages to our employees and pay artists fair market value for reduced allowed and anticipated attendance.

3. Help with advocacy at a federal level for infrastructure improvements through the Canada Cultural Spaces Fund will also be essential. With so many upgrades necessary to our aging facility, it will be important to ensure that we are in a position to make our patrons feel secure in our venues when they are able to return.
4. Assistance with advocacy to insurance companies. Throughout this pandemic, we have found that many of our suppliers from utilities to benefits to even our banks have been incredible to work with. Something that many P.A.C's have struggled with however is paying full rates for insurance with zero patrons in the building. Not only have we heard that these premiums cannot be adjusted, we just received a phone call today that our insurance rates will be going up by approximately \$4000 per year!

I completely understand that there are a lot of businesses and organizations facing hardships right now and I wanted to give you a perspective on the industry that I have loved, supported and worked in for over 20 years. It's quite frustrating to see airlines able to operate at full capacity while this sector, who will be the last to open is not only limited in operational capacity but is receiving very little assistance. Is there any way that the reopening of the Performing Arts Venues can use the same reopening guidelines as the airline industry?

Thank you for taking the time to read this submission. If you require any further information, I can be reached by cell at 705-977-1518 or by email at gm@showplace.org.

Sincerely,



Emily Martin
General Manager

Cc: Hon. Lisa MacLeod, Minister of Heritage, Sport, Tourism and Culture Industries
Dave Smith, MPP Peterborough and the Kawarthas
Maryam Monsef, MP Peterborough and the Kawarthas
Diane Therrien, Mayor, City of Peterborough
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