



BACKSTAGES SPACES ACT 2: PROTOTYPING AND TESTING NEW ARTIST-LED OPERATING MODELS

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This report, *Backstage Spaces Part 2: Prototyping and testing new artist-led operating models*, builds upon work done and recommendations made in C-Space's 2023's Backstage Spaces report, which captured the scope of the challenges around affordable space facing C-Space and the city's creative community at large.

C-Space's current home, PL1422, is a 7,000 square foot space that includes two rehearsal studios, a meeting room, offices and ancillary space. Its unique configuration allows the nine resident companies to develop their performance works at scale and over dedicated periods of time. It also allows administrative work to take place alongside creative work and collaboration to occur cross-company, while enabling the resident companies to also support and subsidize emerging practitioners. The sharing of this space is guided by an artist-led framework of values, including collaboration, equity, mentorship, experimentation and self-sufficiency. The resident companies' leadership has made C-Space and PL1422 a critical part of the city's and the country's performing arts infrastructure. It is a model for sharing space that has been long-praised for its ethos, efficiency and effectiveness.

However, what keeps this model from being emulated, or sustainable on its own, is the real estate context in which it exists. Ongoing significant increases to PL1422's rent and operating costs have forced C-Space to investigate alternative options for ongoing sustainability and stability, after 15 years in this location.

Over the past 10 months, C-Space has prototyped and tested several potential new financial and infrastructural options that have the potential to work within the tenant companies' financial capacities and meet their critical artist-led values.

These options included:

- testing of new financial models for allocating and financializing the available space and resources of PL1422;
- a space analysis and exploration of architectural interventions to enhance usability of the current space;
- a space needs analysis and space evaluation matrix for assessing any potential space C-Space may relocate to in future;
- a case study for a potential new space; and
- an available funding analysis.

Over the next five years at their current location, the organization C-Space faces an annual operating gap between its expenses and revenues ranging from \$20,000 to \$70,000. This gap, which consists almost entirely of commercial real-estate increases (in the form of ongoing rent increases and property tax fees passed on to C-Space), paired with static and even decreasing government funding opportunities, could be made up in a number of ways that could and should be easily mitigated by fundraising and government advocacy and action.

Given the tremendous value that PL1422, C-Space and its tenant companies produce, both financially and culturally, for the city, the province and the country, finding a solution to the shortfall is a matter significant to all levels of government and arts practitioners and citizens alike.

2.1 A Brief History

C-Space is a collective of theatre and dance companies operating out of a single building on Vancouver’s East Side – Progress Lab 1422 (PL1422). As co-operators of this dedicated production and rehearsal space, resident companies are able to develop their works at scale, over dedicated periods of time and with the physical and technological resources necessary to experiment and push limits – all within their administrative home.

After completing extensive renovations, Boca del Lupo, Newworld Theatre, Rumble and Electric Company Theatre moved into PL1422 in June 2009. A joint venture agreement (JVA) outlined how these organizations would physically and administratively share the space and laid out a collective decision-making process in alignment with their artist-run ethos.

In 2012, the organization replaced the JVA with a new governance structure: a non-profit called C-Space. This new non-profit would allow the organizations to manage the building’s finances separately from the individual companies’ operating grants. As a bonus, C-Space was able to apply for its own grants – separate from the funding needs of the four companies.

C-Space has never been a static organization – morphing and changing to best suit the resident companies. In 2019, Boca del Lupo relocated to a space on Granville Island, and that same year C-Space signed a new lease with its private landlord. This new five-year triple net lease meant an 100% increase in rent and operating costs (including property tax bills) for C-Space. To meet this increased expense, C-Space was forced to expand from four to eight resident companies. This expansion required a rapid rethink about how they share space – physically, temporally and financially.

Now, in 2024, on the heels of a game-changing pandemic, another five-year lease renewal, and the addition of a ninth resident company, C-Space continues to evolve in response to the volatile conditions around it.

2.2 Growing Gaps

Across the cultural sector there is a growing financial “gap” whereby expenses are far outpacing revenues.

For C-Space, in an eight-year period, lease-related expenses rose from approximately \$80,000 to \$160,000 per year, representing a 100% increase. Rent-related costs are not the only escalating expenses for cultural non-profits are experiencing. Insurance, supplies and utilities have all risen sharply with inflation. And as the cost of living across the board has increased dramatically over the past few years, the salary and wage requirements for artists and cultural workers have also risen. Meeting living-wage standards (at a minimum) has become essential in the cultural sector, not only for personnel retention

but also to increase equity and inclusion. Improved HR, and robust health and safety practices both represent an increasingly essential aspect of cultural work and require additional financial resourcing.

On the revenue side of the balance sheet, C-Space depends upon the financial capacities of its resident companies. Each organization is at a different stage of its organizational life cycle, from emerging to longstanding, and as such each has different budgetary resources. Some rely on project grants to piece together their programming and operating revenues, while others receive operating funds from all levels of government. These operating grants have, for the most part, remained static since before the pandemic, and are expected to stay at the same levels for the foreseeable future.

FIVE-YEAR BUDGET SNAPSHOT

**Including the operating percentage of project grants*

REVENUES	2024–25	2025–26	2026–27	2027–28	2028–29
Resident Company Rent	\$ 185,090	\$ 200,490	\$ 200,490	\$ 200,490	\$ 200,490
External Rental	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200
Other Operating	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Operating Grants*	\$ 40,500	\$ 33,000	\$ 33,000	\$ 28,000	\$ 28,000
Private Donations	\$1,000	\$1,000	\$ 1,000	\$ 1,000	\$ 1,000
Foundation	\$ 45,000	\$ 30,000			
TOTAL REVENUE	\$ 277,290	\$ 270,190	\$ 240,190	\$ 235,190	\$ 235,190

EXPENSES

Facility Rent and Operating	\$ 156,784	\$ 158,077	\$ 160,406	\$ 166,758	\$ 168,171
Utilities	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255
Maintenance/Repairs	\$ 16,472	\$ 16,929	\$ 17,437	\$ 17,960	\$ 18,499
Communications	\$ 2,919	\$ 3,007	\$ 3,097	\$ 3,190	\$ 3,286
Administration	\$ 93,416	\$ 96,219	\$ 99,105	\$ 102,078	\$ 105,141
TOTAL EXPENCES	\$ 279,591	\$ 284,532	\$ 290,654	\$ 300,913	\$ 306,352
Balance	(\$ 2,301)	(\$ 14,342)	(\$ 50,464)	(\$ 65,723)	(\$71,162)
Cumulative Debt		(\$16,643)	(\$67,107)	(\$132,830)	(\$203,992)

While expenses are calculated with a 3% inflation factor, it is challenging to increase tenant rental rates by the same factor. Government arts funding levels for the resident companies have remained static and are projected by many to decrease; as such, to constantly increase tenant company rental rates will dramatically impact their already stretched programming and human resource budgets.

2.3 *Backstage Spaces Act 1* Action Items

Last year's *Backstage Spaces Report Act 1* concluded with a series of action items for C-Space to consider as it works toward a more sustainable model for sharing space (section 6.6). Any new model needs to foreground C-Space's foundational artist-led approach and must balance the infrastructural requirements of performance production, the financial realities of the resident companies and the real estate context in which they operate.

These actions were to:

- Clearly define the foundational artist-led values and practices of the existing C-Space model, such as equity, autonomy, care, experimentation and collaboration, to drive sustainable operations and future capital projects.
- Explore and model financial structures and operational scenarios that support these artist-led values.
- Be prepared to readily respond to potential and alternative space opportunities, including civic-held and other small-scale industrial spaces that are available in British Columbia.
- Explore financial instruments that will invest in this scale and type of sustainable and artist-led model.
- Draw upon the strength of the existing independent arts spaces network – both for advocacy and potential networked space-sharing options.

3.0 PROCESS + METHODOLOGY

Over the past 10 months, the group (including external consultants) engaged in research, discourse and financial modelling toward potential new ways to equitably share space and close C-Space's looming operating gap. The goal of this work was to prototype and test new equitable models for sharing space and to understand the financial, community and infrastructural implications of each.

3.1 Meetings and External Consultants

3.1.1 Resident Company Meetings

Throughout the process, C-Space staff, resident companies and consultants met to discuss challenges and approaches in a variety of configurations.

- 1:1 meetings between consultant and individual tenant companies allowed for a clear understanding of unique, organization-specific space needs, financial capacities and histories.
- Group meetings with all C-Space tenant companies were convened for multiple purposes:
 - New Lease Negotiations: With a new lease looming in 2024, urgent negotiations were necessary to ensure the space-sharing system was workable for all tenant companies in the short-term. Multiple group meetings were required to gain consensus and agree upon the head lease and subsequent tenant company subleases.
 - Facilitated Workshop: A two-day workshop with facilitation expert Jocelyn Macdougall was geared toward developing a longer-term solution for C-Space. This workshop involved rearticulating and confirming C-Space's values; testing prototypes and case studies for future models; and articulating space needs. It resulted in clear parameters for moving forward.

3.1.2 External Meetings

Consultant Caitlin Jones met with other cultural space providers, operating in both the visual and performing arts, to gain a broad perspective on shared-space approaches and challenges. These meetings helped to establish comparables regarding space availability and rental rates, contributed to a clearer understanding of what types of spaces are most in need and established possible collaborations for the future.

3.1.3 External Consultants

In addition to the prime consultant and author of this report, Caitlin Jones, other consultants contributed their expertise for particular areas.

Shiloh Sukkau is an architect and designer with experience in functional programming for cultural spaces. Linda Gorrie is a non-profit consultant with over 30 years in the art sector and connections to many of the tenant companies. Her expertise was critical, as C-Space looks to generate new revenues through additional fundraising. Jocelyn Macdougall is an experienced facilitator who has specific knowledge and experience in the cultural space sector.

4.0 ARTIST LED VALUES AND PRACTICES

Since its inception, C-Space has defined itself as an artist-led organization. Values of experimentation and collaboration have driven equitable operations and capital project development.

4.1 Core Values

Over its 15-year history (12 as C-Space), the organization has committed and recommitted to a framework of values that centre artistic processes and communities. C-Space is a production space that primarily serves the needs of artists and resident companies to create new performance works. In turn, these companies support massive audiences and publics of their own. In its role as a production hub, C-Space is a critical part of Vancouver's, British Columbia's and Canada's cultural ecology.

PL1422's function as a "supportive creative hub" was a theme that emerged from all 1:1 and group meetings. The ability to share, not only space, but also ideas, advice and in some cases staff, was continually brought up as one of the organization's most important attributes. The supportive and collaborative nature of the space not only creates a safe environment for creativity and experimentation but also allows all companies to run more effectively and efficiently.

This core value is mirrored in the facility itself. Having office and production space adjacent to one another creates the conditions for collaboration between tenant companies, who are able to see each other develop their shows and other projects. This important attribute would not be possible if production space were separated from office space.

The organization's values have evolved and changed slightly over the years, but through multiple strategic plans and internal assessments, a commitment to certain ideas and ways of working have remained consistent. These terms and ideas have appeared and reappeared in C-Space's organizational documents:

TRANSPARENCY	CARE	ACCOUNTABILITY	ACTIVE AND ENGAGED PARTICIPATION	RESPONSIVENESS	
	FAMILY	FLEXIBILITY	LOVE OF PERFORMANCE	SHARING	
COLLABORATIVE DECISION-MAKING	AUTONOMY	CONSENSUS	DIVERSITY	COMMUNITY	
	INNOVATION	AFFORDABILITY	ACCESSIBILITY	SCRAPPY	
ADVOCACY	PROCESS-BASED	HOSPITALITY	DYNAMIC	DECENTRALIZED	

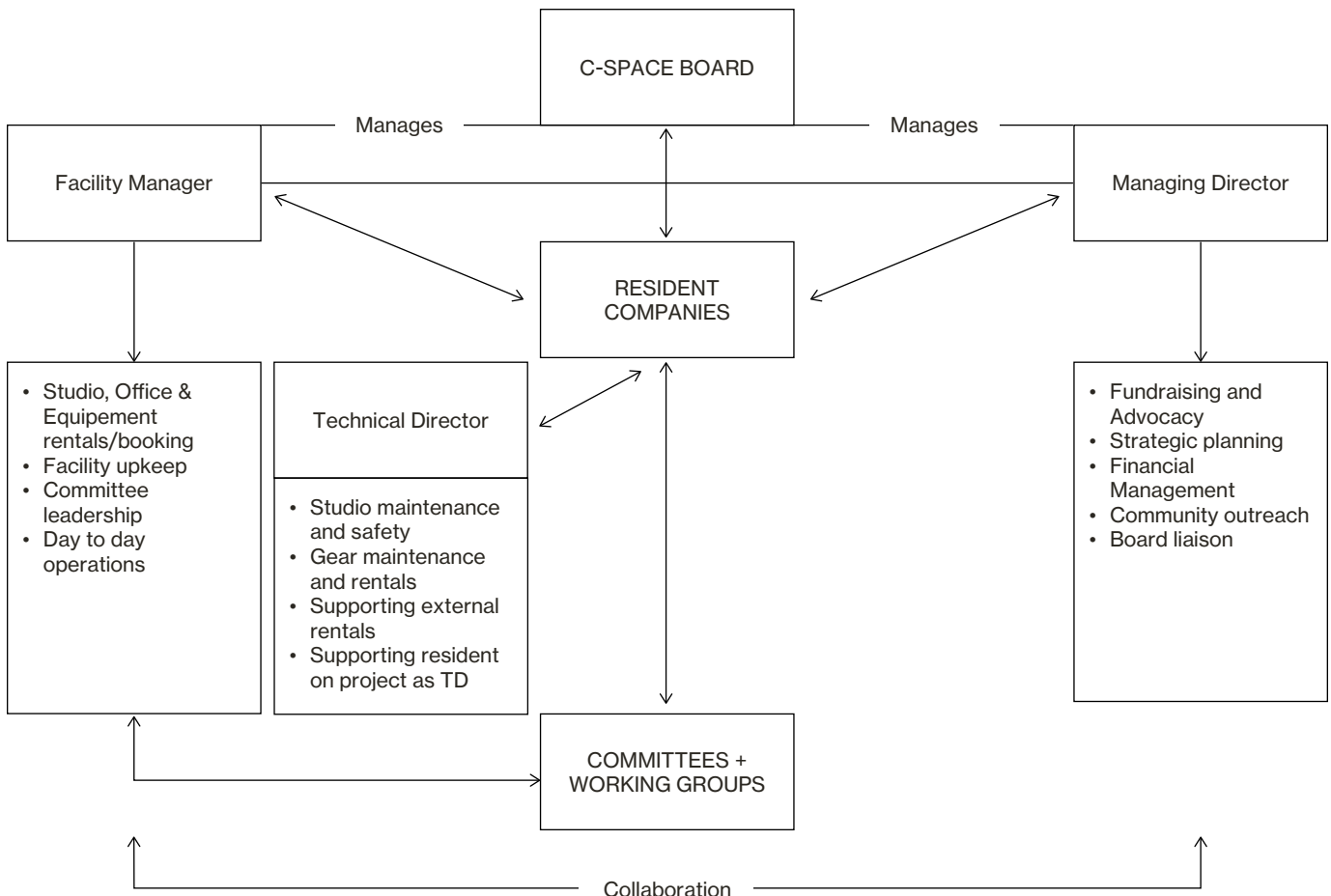
4.2 Current Administrative Structure

C-Space's Board of Directors is composed of one representative from each resident company. It is a working board that requires significant in-kind labour from all resident companies. C-Space's Board of Directors also has a number of subcommittees, some standing and others ad hoc, which focus on specific areas such as governance, finance and facilities.

Staffing levels fluctuate depending on available resources, but currently C-Space has three staff members:

- **Managing Director (20 hours/week):** responsible for communications, fundraising, coordination and reporting
- **Facilities Manager (20 hours/week):** responsible for scheduling and building maintenance, among other things
- **Technician (40 hours/week):** responsible for main production space and equipment, and assisting resident companies with production and technical needs. This role is a shared expense between C-Space and the resident companies. Each organization pays for the hours it requires; together this creates a full-time position including benefits.

ORGANIZATIONAL CHART 2024/25



4.3 Governance

C-Space, in addition to adhering to bylaws set out by the BC Societies Act, has always been governed by an informal code of conduct. In 2024, a newly formed Governance Committee formalized the governance structure and outlined a decision-making model that clarified the roles and responsibilities of the resident companies and Board members. The C-Space Resident Company Working Agreement is “a living document that we use as a tool to co-create relationships. We work to respect each company’s autonomy and base our agreements in consent.” (See Appendix A: C-Space Resident Company Working Agreement.)

A more formalized governance structure helps to strike a balance between the organization’s artist-run ethos – its “scrappy” nature, flexibility, nimbleness and DIY spirit – and a clear framework for strategic planning and communications.

4.4 Indigenous Engagement

Any land-based work being done on unceded territory must be approached with awareness and generosity. C-Space’s resident companies prioritize programmatic partnership development, working in collaboration with Indigenous artists and companies on new works and projects. C-Space is committed to supporting and enhancing these existing relationships through its work in the provision of safe and affordable space. This reflects a dedication to fostering meaningful connections and work based on trust, reciprocity and relationships.

In March 2024, the C-Space Managing Director participated in a week-long workshop on truth and reconciliation through right relations, aimed at deepening the organization’s understanding of the needs of Indigenous leaders and artists. Developed by Elder Sykes Powderface for the Banff Centre for the Arts and Creativity, the program focused on uplifting Indigenous communities nationally and fostering respectful relationships as settlers.

5.0 NEW MODEL EXPLORATION

5.1 Original Financial Model

C-Space began as four organizations sharing both the space and the financial burden equally. Each company received equal office space (in the chart below, noted as “full”) with an equal number of weeks in the primary production studio. Tenants could pay for extra weeks as needed, and all had access to storage, a workshop (the garage), a small meeting room (the rumpus room) and a kitchen.

TENANT	OFFICE SPACE	STUDIO WEEKS (approx)	TOTAL CONTRIBUTION
Company A	Full	8	\$ 22,532
Company B	Full	8	\$ 22,983
Company C	Full	9	\$ 24,630
Company D	Full	9	\$ 24,684
External Rentals		18	\$ 11,856
TOTAL		52	\$106,685

5.2 Transitional Model

In 2019, when C-Space was hit by a 100% rent increase, the model shifted to accommodate four new organizations, all with different staffing levels, office and studio needs and administrative and financial capacities.

C-Space kept its “all in” approach, whereby tenant company rent included access to all ancillary spaces; however, allotted studio time and office space became divergent. The division of space and financial obligation was no longer tied to “equality” (i.e., equal shares) but rather recast as a commitment to “equity” wherein organizations with more stable and higher operating funding are able to subsidize companies with less operational capacity.

TENANT	OFFICE SPACE	STUDIO WEEKS	TOTAL CONTRIBUTION
Company A	Full office	8	\$ 42,000
Company B	Full office	8	\$ 42,000
Company C	1/2 office	8	\$ 26,160
Company D	1/2 office	8	\$ 26,160
Company E	1/4 office	6	\$ 15,360
Company F	1/8 office	5	\$ 10,140
Company G	1/4 office	0	\$ 5,160
Company H	no office	8	\$ 8,600
Company I	1/4 office	0	\$ 5,160
External Rentals		1	\$ 1,400
TOTAL		52	\$ 182,140

This model was successful in the short-term and successfully bridged an urgent need, however, the growing “gap” (between rent, property tax and operating costs, and operational revenues) can not be sustainably filled. This model was also skewed to office space rentals. As the above chart shows, contributions are heavily (and disproportionately) weighted to those with more office space. In a post-pandemic world, demand for offices has lowered, which is also the case among the resident companies. As such, a model that relies on high office space rental rates is less optimal.

5.3 New Space-Sharing Models

5.3.1 Monetized Approach

C-Space has historically operated on an “all in” model, wherein tenant rental payments cover their office spaces and primary studio weeks as well as storage, use of “the garage” (a former workshop converted into a secondary studio and performance space) and access to a small meeting space known as the “rumpus room.” Looking for a way to shift the financial burden off of office space rental, C-Space explored monetizing these assets of “value” – office, primary production space, secondary “garage studio,” rumpus room and storage – to test if the financial burden could be transferred to a price-per-unit system. Resident companies went through an exercise charting their usage against the following “price list.”

OFFICE SPACE	
Full office	\$ 27,800
1/2 office	\$ 14,650
1/4 office	\$ 7,200
PRODUCTION SPACE RENTALS	
PRIMARY	
7-day week (24/7), max. 7 weeks	\$ 1,400
5-day week (Mon–Fri, 24/7)	\$ 1,100
SECONDARY	
Weekly (7 consecutive days, 24 hours)	\$ 250
Daily (24 hours)	\$ 45
RUMPUS	
	Free
STORAGE	
Studio Pods (yearly fee)	\$ 1,500
Garage Pods (yearly fee)	\$ 1,500
Cupboards (1 per company)	Free
MEMBERSHIPS/FEES	
Membership Fee	\$ 1,200
To cover garden, kitchen, washroom, rumpus + same-day garage bookings	

ANALYSIS OUTCOMES:

BENEFITS

- Helped all organizations see their use of the space differently, and opened new conversations for further problem-solving
- Upgraded financial management tools to allow for more accurate budgeting and financial planning for both C-Space and resident companies

DRAWBACKS

- Significant cost increases to smaller organizations with minimal savings to larger organizations
- “Nickel and dime” approach seen as counter to the creative process
- Monetization creates barriers to the type of spontaneous work critical to the organization
- Does not solve the upcoming projected shortfall

5.3.2 Hot Desk Approach

Given the shifting nature of office use and the upcoming vacancy of a half office space, C-Space wanted to investigate the potential of converting dedicated office space into hot desks. In this scenario, members would have access to administrative space at PL1422, with corresponding time in the primary studio, and could rent studio spaces when there was additional availability. This type of system enables more flexibility for all scales of tenant companies, and also could open up potential for new members to join the C-Space community at a lower price point.

A hot desk fee of \$300/month (market rate, given the limited amenities C-Space is able to provide compared to other coworking spaces) was added into the “monetized approach” financial model.

ANALYSIS OUTCOMES:

BENEFITS

- Provides greater community access to C-Space resources

DRAWBACKS

- Lack of dedicated administration space and potential for revolving tenants could hinder creative flow and diminish the collaborative atmosphere
- Requires extra administrative management
- Does not solve the upcoming projected shortfall

5.4 External Rental Solutions

When C-Space consisted of only four companies, there were more opportunities for revenue generation through external rentals of the primary production studio. Nine organizations now sharing the studio means far less available studio time for revenue-generating rentals.

An analysis of studio usage was undertaken to map out when and how the studio is being used, including comparing booked vs. actual usage, full days vs, partial days of use, and daily vs. weekly rentals. The goal of this exercise was to see if it would be possible to open up additional days in the studio for external rentals.

The analysis uncovered some inefficiencies and differences between time booked and actual time used in the studio. It was also found that companies were already sharing weeks between themselves, and smaller organizations with few confirmed weeks or days were often able to pick up the unused days of the larger organizations. While the studio sometimes sits empty, there is no way to provide external rental availability without severely constraining the collaborative and supportive ad hoc system of sharing that has developed among the resident companies. Additionally, the studio is oftentimes available during inopportune times in the annual calendar, such as holiday breaks.

ANALYSIS OUTCOMES:

BENEFIT

- Analysis led to an improved booking system
- Made clear the need for both full (7 days/week) and partial (5 days/week) rentals

DRAWBACKS

- Complexity of administration (and labour and cleaning) limits the value of shorter-term external rentals
- Resident organizations currently pay for the flexibility to negotiate space use internally, which is important to the creative process
- Does not generate enough new rentable days to solve the upcoming projected shortfall

5.5 Architectural Solutions

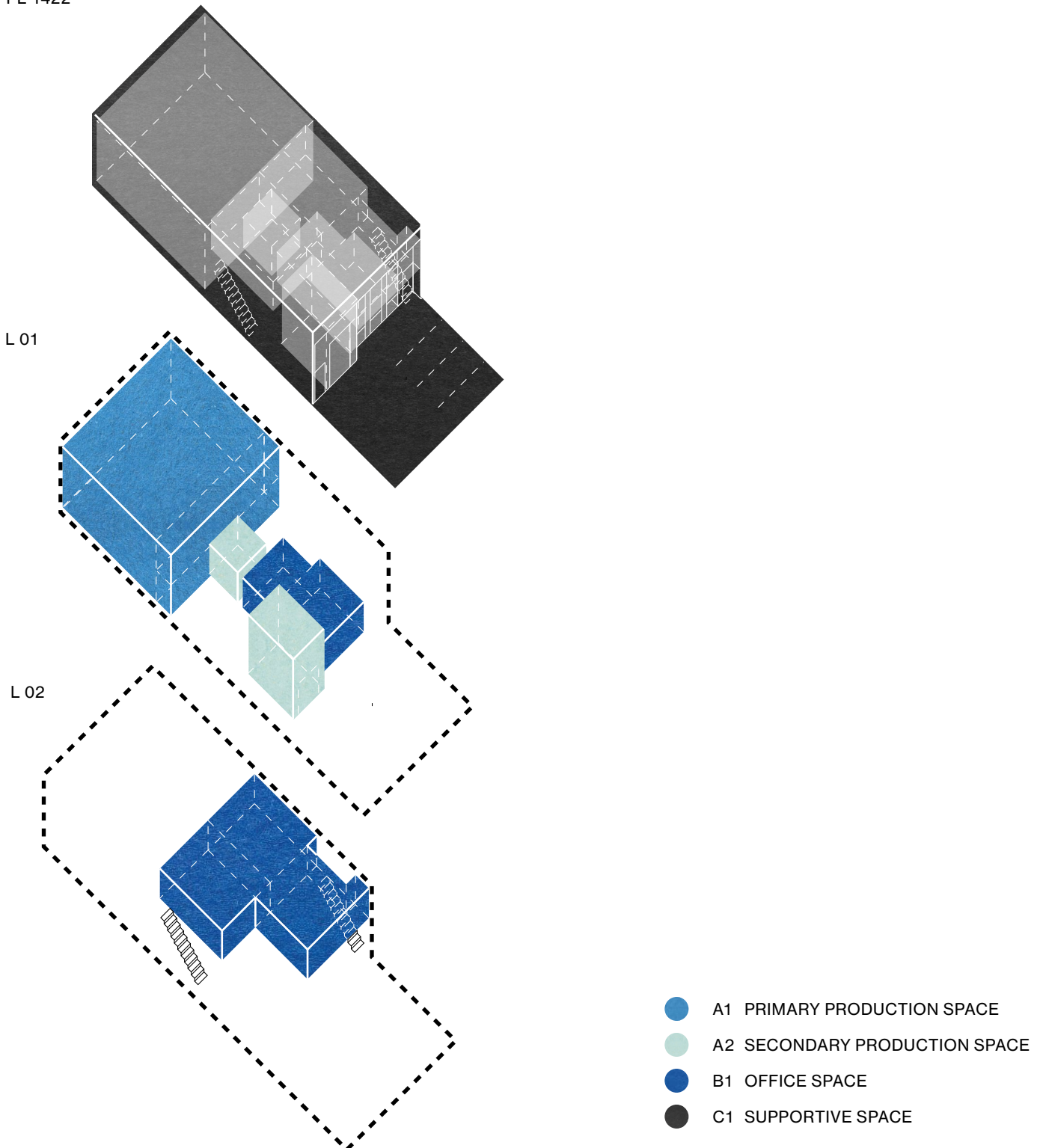
Since moving into PL1422, the tenant companies have undertaken significant (and often large-scale) renovations and changed internal use of spaces – all to maximize functionality and revenues. The current financial conditions have led C-Space to explore whether further renovations, funded through available infrastructure grants, would help alleviate their financial situation. The following architectural modeling was done in collaboration with architect Shiloh Sukkau. (See Appendix B: Space Analysis and Architectural Renderings).

5.5.1 Current Spatial Configuration

To better understand PL1422's layout, we first sought to diagram the way the building is currently divided and used.

PL1422's first floor includes both primary and secondary production spaces, a private office and supportive space inclusive of the bathrooms, kitchen, storage and circulation space. The second floor is both shared and private office space.

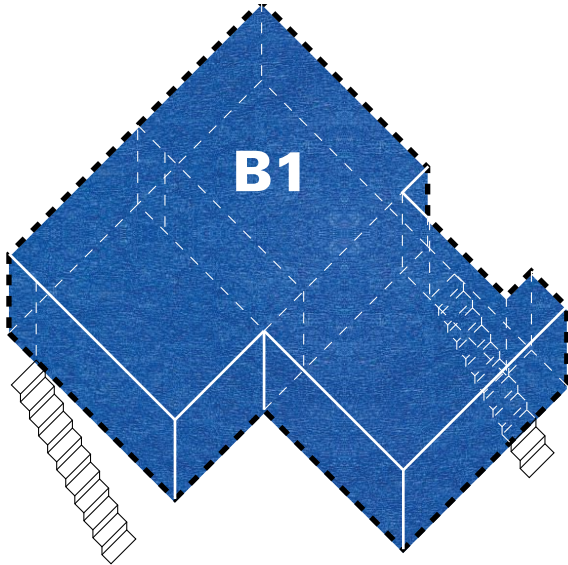
PL 1422



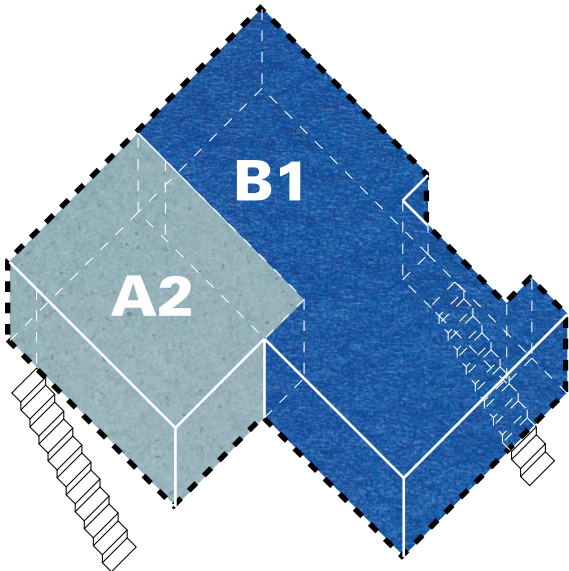
5.5.2 New Mid-Sized Studio

As more people work from home or in hybrid scenarios, C-Space has explored repurposing of one of the upstairs shared offices into a new mid-sized secondary studio. A new studio could accommodate activities such as workshops, read throughs and other less technically heavy activities that currently take place in the primary studio. Theoretically, moving these activities to a new mid-sized studio would open up additional time in the primary production studio, which could be rented by either tenant companies or external renters.

L2 CURRENT CONFIGURATION



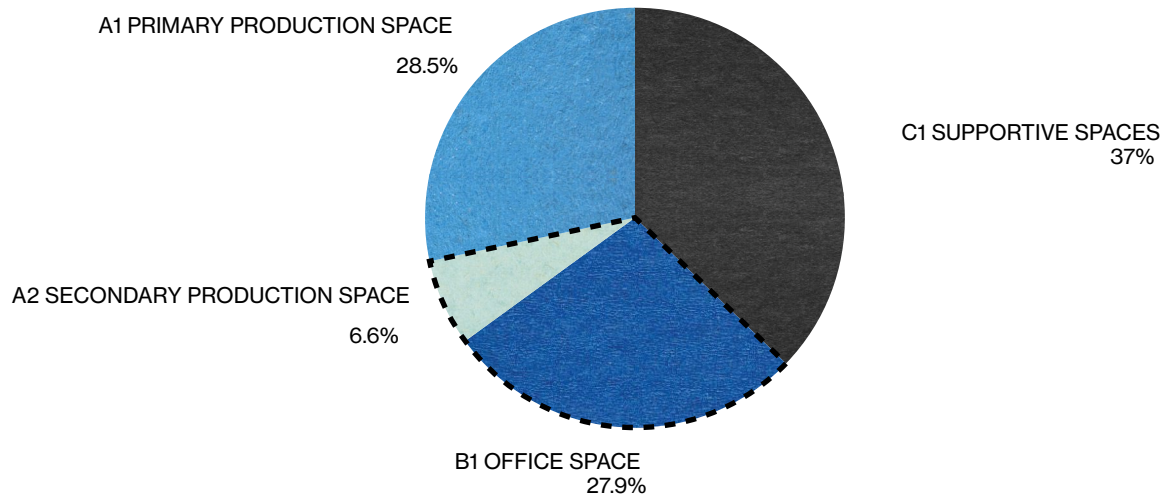
PROPOSED CONFIGURATION



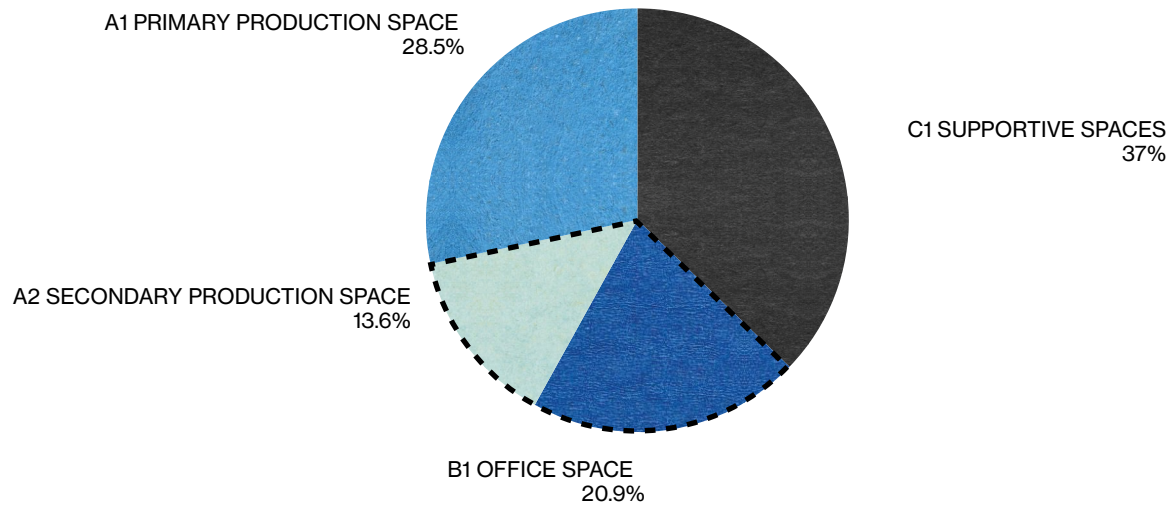
- A1 PRIMARY PRODUCTION SPACE
- A2 SECONDARY PRODUCTION SPACE
- B1 OFFICE SPACE
- C1 SUPPORTIVE SPACE

While this reconfiguration and redistribution of space changes some usage, it does not fundamentally change the revenue-generating potential of PL1422.

CURRENT CONFIGURATION



PROPOSED CONFIGURATION



- A1 PRIMARY PRODUCTION SPACE
- A2 SECONDARY PRODUCTION SPACE
- B1 OFFICE SPACE
- C1 SUPPORTIVE SPACE

ANALYSIS OUTCOMES:

BENEFITS

- More flexibility and versatility in available space
- Opens up more time in the primary production studio
- New capital project could generate some administrative revenues

DRAWBACKS

- Upstairs studio would not be wheelchair accessible (given financial parameters)
- Requires additional scheduling labour
- Renovation requires significant resources
- Further investment of public funds in privately owned real estate asset
- Does not generate enough revenue to solve the upcoming projected shortfall

5.5.3 Storage Solutions

Storage has historically been an issue at PL1422. It has particularly limited options for larger set pieces. Some organizations pay for offsite storage but would be happy to contribute additional resources if larger storage spaces were available at PL1422.

C-Space has been looking into renting a large container that could be parked outside and used for larger pieces. At a cost of approximately \$4,000/year, it would likely break even, but not generate any additional revenues.

5.6 Labour Expenses

5.6.1 Administrative Labour

Most of the building's operating costs are dictated by the market rates within the City of Vancouver (utilities, garbage collection, etc.) and the terms of PL1422's triple-net lease (maintenance and property taxes). One expense line item that C-Space does have some control over is administrative labour costs.

In 2024/25 staffing expenses for C-Space sit at approximately \$90,000. While a portion of these expenses are currently supported by a multi-year foundation grant, the organization could look at the current staffing structure (Managing Director, Facilities Director and Technician) to find potential ways to streamline administration without adding too much further burden to the C-Space volunteer Board of Directors.

ACTION ITEM:

- Review administrative staffing structure.

5.6.2 In-Kind Labour

C-Space has always been dependent on the volunteer labour of its Board. One rationale for developing the Managing Director position was to alleviate some of this volunteer dependency. C-Space has a good system for tracking its Board's in-kind labour. In 2023/24, 223 hours of Board in-kind labour was needed to operate PL1422. Before the Managing Director position was introduced, that number was approximately 50% higher.

In 2020, the Artist-Run Centres and Collectives Conference (ARCA) published *The Silver Guide to Non-Monetary Transactions*. This reference aims to help non-profit cultural institutions better track and report on the myriad "non-monetary" transactions that support their work. Tracking these transactions not only provides a clearer picture of the actual costs of running an organization such as C-Space but also helps to illustrate a diversity of revenue streams, so often required for project funding eligibility. The goal is to incorporate these hours and their corresponding monetary value into the organization's annual financial statements.

ACTION ITEM:

- Track in kind hours and non-monetary transactions of C-Space board in the organization's financial statements.

6.0 POTENTIAL ALTERNATIVE SPACE OPPORTUNITIES

6.1 Space Needs Analysis

Before C-Space can respond to any potential new or alternative space opportunity, it is important to find clarity on the actual space needs of C-Space. During the tenant company workshops, the group assessed their needs from functional, community and administrative perspectives.

6.1.1 Future Space Needs

SPACE TYPE	ATTRIBUTES	NOTES
Primary Production Space	<ul style="list-style-type: none"> – Min 2,000 sq ft – Min ceiling height 20 ft – Sprung floor – Accommodate lighting grid – Accessible – Soundproof – Appropriate electrical 	<ul style="list-style-type: none"> – Adjacent to loading entrance
Secondary Production Spaces	<ul style="list-style-type: none"> – Min 300 sq ft – Accessible – Soundproof 	<ul style="list-style-type: none"> – Useful as both rehearsal space and meeting room
Office Space	<ul style="list-style-type: none"> – Desk space for 15–20 people (60 sq ft per) – Natural light – Accessible 	<ul style="list-style-type: none"> – Can be open-plan or individual offices
Kitchen	<ul style="list-style-type: none"> – Full kitchen – Accessible 	<ul style="list-style-type: none"> – Must be able to accommodate events – Adjacent to eating/lounge area
Bathrooms	<ul style="list-style-type: none"> – Min 2 fully accessible bathrooms 	
Storage	<ul style="list-style-type: none"> – Approximately 150 sq ft per organization 	<ul style="list-style-type: none"> – A mixture of administrative and set storage
Loading	<ul style="list-style-type: none"> – Size to accommodate large set pieces 	<ul style="list-style-type: none"> – Directly accessible to primary production studio

Other important attributes:

- Visible to external community
- Environmentally sustainable
- Non-residential and applicable zoning
- Mount Pleasant/East Vancouver location, to be close to existing arts community
- Near transit
- Walkable neighbourhood

6.1.2 Financial and Leasehold Considerations

All these spatial typologies and attributes must be evaluated within the financial framework of C-Space and its tenant companies. C-Space does not want to be dependent on external rentals (and responsible for the labour to achieve this) to cover its basic operating costs. Therefore the scale of any future space must be such that the tenant company rents can sustainably cover the costs.

In regard to potential new space opportunities, C-Space is interested in the following scenarios:

- Moving away from leasing a market-dependent, privately held space for a number of reasons, including:
 - publicly funded capital resources would no longer be invested into a privately held real estate asset; and
 - C-Space would no longer be required to pay landlord operating costs, including property taxes.
- Leasing a suitable City of Vancouver space.
- Leasing a purpose-built in-kind community amenity contribution (CAC) space
- C-Space purchasing a building through potential cash CACs, development cost levies (DCLs) and other fundraising (see further descriptions of these mechanisms in Section 7.4).

6.2 Case Study: 123 East 6th Avenue

Guided by the space-needs criteria developed by the group, together they were able to evaluate the potential suitability of an upcoming CAC space opportunity located at 123 East 6th Avenue. The City of Vancouver has secured a two-storey renovated and relocated heritage building as part of a larger development that includes a 12-storey office building. It will be delivered to the City through a long-term lease agreement and in turn subleased to a non-profit arts operator.

According to the City's website, the intended use for the space is:

- to provide affordable and accessible spaces on a cost-recovery basis that balances sustainability and affordability; and
- for local non-profit arts and culture production, including:
 - production and rehearsal (including but not limited to theatre, dance or music rehearsal);
 - Indigenous arts;
 - film, media arts and video production;
 - electronic or amplified music and sound production;
 - office administration;
 - occasional presentation and event uses; and
 - ancillary uses.

6.2.1 123 East 6th Avenue Analysis

*5=most suitable, 1= least suitable

ATTRIBUTE	DETAILS	COMMENTS	SUITABILITY RATING
Square Footage	– 10,000 sq ft	– Enough space for multiple, multi-size studios and flex, social and office space	5
Ceiling Height	– 14 ft maximum	– Does not meet minimum requirement for lighting grid and other technical gear	1
Functionality/ Adjacencies	– Split over two floors	– Primary studio is on second floor, requiring sets and heavy equipment to be moved by elevator	2
Lease Terms	– Long-term lease with City of Vancouver	– While still to be determined, the lease is likely to be very long and secure	5
Financial Viability	– Nominal rent – Operating costs estimated at \$25 to \$30 per sq ft per year	– Multiple opportunities for external rentals – Will require additional administrative expenses to manage	3
Accessibility	– Split over two floors with elevator		4
Location	– In mixed residential/commercial zone	– In East Van – Accessible via transit – Challenging parking – Restrictions on noise unknown	3

ANALYSIS OUTCOMES:

The most valuable attribute of PL1422 is the primary production studio, which allows resident companies to develop productions in a fully outfitted space, adjacent to their administrative offices. While 123 East 6th Avenue meets many of the outlined criteria, the impossibility of fulfilling this critical attribute (given the configuration of the base building) makes this space unsuitable according to C-Space's stated space needs and values.

A preliminary operating pro forma for the space also proved the need for significant staffing to manage space sharing, facilities and external rentals, which is something the organization would like to avoid.

7.0 FUNDING AND INVESTMENT

Through prototyping and testing new space-sharing models and potential architectural modifications, it became clear that there are limited ways to address the projected shortfall aside from increasing revenues.

With tenant company budgets highly constrained by static funding levels and limited ability to monetize spaces, increasing revenues must be achieved through multiple fundraising avenues

7.1 Government Funding

C-Space's resident companies are at different stages of their organizational life cycles (from emerging to longstanding), with different funding levels. Some receive operating funds from all levels of government, while others rely on project grants to piece together both their programming and operating revenues. As an umbrella organization to these tenant companies, C-Space must find new ways to cover the ongoing gap in operating funding.

7.1.1 Operating Funding

C-Space, as a cultural space operator, is severely limited in the types of operating funding it is eligible for. Currently, the only level of government that provides operational support for cultural space operators is the City of Vancouver, through its Affordable Cultural Spaces Grant. This grant provides “up to \$40,000 for facility operating costs for local non-profit space operators who provide subsidized affordable space for Vancouver-based artists and/or cultural organizations.” This fund has been crucial to keeping many spaces open, but demand is very high and C-Space anticipates having this funding reduced over the next few years.

The provincial and federal government, while providing infrastructure funding for capital projects, have not yet implemented a cultural space operators funding stream (despite understanding the need). Access to operating funds through all levels of government would have an immediate, enormous and rippling impact on C-Space and other organizations like them, and in turn the entire sector. It would allow C-Space to cover rising operating costs from sources other than the tenant companies' already stretched programming budgets.

ACTION ITEMS:

- Continue advocacy to implement operating funds for space providers at all levels of government. This must remain a major focus of C-Space's work moving forward, as it is clear that a relatively small investment from all levels of government would completely alleviate the project shortfall.
- Create a Government Relations Plan. Such a plan will ensure this issue is at the forefront of advocacy efforts.

7.1.2 Project Funding

Project funding has been and will continue to be crucial to C-Space's financial success. As only 5–10% of project grants can be allocated to administration and operation expenses, however, C-Space must be very strategic about how they employ project funds to avoid creating “make work” projects that divert the limited human resources away from C-Space's primary mandate. The amount of grant funding necessary to close the \$40,000–\$70,000 operating gap in the coming years is unachievable given staffing levels and applicable funding opportunities.

The C-Space staff developed a Project Grant Availability Chart to track available opportunities. This chart helped clarify that while some of this project funding can help achieve goals related to necessary activities, it is not a sustainable solution to the operating shortfall due to the labour needed to apply, achieve and report on recurring project grants. Additionally, reliance on project grants puts C-Space in competition with its resident companies for limited project funds.

However, C-Space will continue to evaluate and apply for project funds related to multiple categories:

- Programming: The tenant companies are brainstorming ways to collaborate on C-Space-wide programming activities, including some artistic programming, workshops and public outreach.
- Capacity Building and Strategic Initiatives: Grants such as the ones that have funded both the Backstage Spaces and this follow-up report have been very helpful to C-Space in identifying and evaluating the important research and advocacy work still to be accomplished, and also covering percentages of operational costs.
- Capital Infrastructure and Equipment: Grants for renovations, technical upgrades and other space improvements are available from all levels of government. Like project grants, these funds are restricted, with prescribed allowable expenses, and they require long-term leases or space ownership.

ACTION ITEMS:

- Develop of an evaluation framework adjacent to the Project Grant Availability Chart that will allow the organization to assess project grant opportunities with criteria related to mission and mandate adherence, required labour and the amount of possible recuperation of operating funds.

7.2 Charitable Status and Private Donations

C-Space is finalizing its charitable status, achieved through an amalgamation with the Canadian Theatre Festival Society.

On May 28, 2024, the amalgamated entity, known as the Vancouver Creative Spaces Society (C-Space), was incorporated with the following purposes:

- To preserve and promote the development of, and excellence in, the theatre and other performing arts industries in Canada by providing facilities to enable artists to train and create their work, where such facilities are otherwise difficult to obtain or not available.
- To provide access to cultural facilities and spaces to cultural organizations, as well as members of the public, to create and develop work that can increase the public's understanding and appreciation of the arts.
- To advance education and increase the public's understanding and appreciation of the performing arts by providing opportunities for workshops and seminars, and presentations to the community

With charitable status secured, more options have become available to C-Space from a fundraising perspective, including the ability to issue tax receipts to donors and eligibility for foundation support.

A multi-year grant from the Youssef Warren Foundation, valued at \$75,000, is being used to support the Managing Director position for multiple years – currently projected to last through the 2025/26 fiscal year. Multi-year operational support of this magnitude has been deeply impactful.

ACTION ITEMS:

- Develop a clear Case for Support document to pursue larger donor outreach and repeat the previous instance of high-impact philanthropic support.
- Develop and support C-Space staff and board capacity to maximize the effectiveness of the Case for Support.

7.3 Consulting Revenue

C-Space has been approached to provide consulting services to other organizations interested in developing and operating affordable space for performance production. While this is a potential revenue source, each opportunity must be carefully evaluated to ensure that it does not take away from the primary purpose of C-Space or create an undue administrative burden.

7.4 Unlocking City-Enabled Development Funds

A major opportunity for revenue – and a significant piece of future work and advocacy – involves investigating relevant municipal development tools, either to unlock a new space suitable for C-Space or to raise the funds to purchase a new space.

The City of Vancouver has several tools to generate public benefits and amenities from new real estate development projects, including density bonusing, development cost levies (DCLs) and community amenity contributions (CACs).

The policies around these developer contributions are complex and varied, and they are directly tied to area zoning and corresponding density restrictions. While DCLs are required for all redevelopments, density bonuses and CACs apply for developments where extra density or full rezoning is requested and required. Currently, limited options exist for DCLs in commercial zones such as the 1-2 industrial zoning in which PL1422 is located.

C-Space sits on the eastern edge of the False Creek Flats area of Vancouver. The City's False Creek Flats Plan estimates that new development in this area will generate about \$105 million in development fees over a 10-year period. While there are multiple competing demands for these revenues, a portion of these fees can and should be allocated to the cultural sector and its infrastructural needs in this important cultural neighbourhood.

ACTION ITEMS:

- Gather proposed policy examples for what new DCLs could look like and how they could be implemented and allocated.
- In conjunction with the Government Relations Plan, begin discussions with relevant City staff about future possibilities for new space or capital funding to secure C-Space's own property.

THE CULTURAL SPACES OPERATING NETWORK

For many years, cultural space operators in Vancouver have been connecting to discuss cultural space crisis and advocacy. A critical convener of this group was the City of Vancouver through the Arts and Culture Advisory Committee's Cultural Spaces Sub-Committee. Since this committee's disbanding during the COVID-19 pandemic, conversations have continued in an ad hoc manner.

In 2024, with a grant from the City of Vancouver, local cultural space provider 221A established the Cultural Spaces Operating Network, of which C-Space is a participant.

This network of like-minded and like-mandated organizations offers an opportunity to create a broader networked system for advocacy and collaboration.

With the Network now formalized, C-Space and its network partners can collectively advocate for action items critical to for the survival of cultural spaces:

- Operating funds for space operators from all levels of government.
- Continued work on property tax and triple net lease reform (see *Backstage Spaces Report Act 1*).
- Additional CACs (cash and in-kind) for arts and culture.
- Working with the sector to develop a provincial arts, culture, and heritage action plan.
- Supporting the development of a Cultural Land Trust.

Since moving into PL1422, C-Space and its resident companies have displayed an ongoing collective resilience that underscores the power of collaboration and community. Their work over the past years illustrates both the potentials and limitations of creative adaptation and innovation, placed against a backdrop of static arts funding, rising operational costs and a financially hostile real estate market.

The insights gained from the past 10 months of research, discourse, and financial and architectural prototyping and testing have led to a number of further action items and areas for exploration, building upon the 2023 Backstage Spaces report. In addition to the action items throughout the report, the following are vital next steps for C-Space.

PRODUCE A CASE FOR SUPPORT

C-Space is already working on this document, the purpose of which is to quickly and effectively communicate the value that C-Space provides, not only to resident companies but also to the broader performing arts community, its audiences and the nation's cultural ecosystem at large. A clear and compelling case for the value of C-Space and PL1422 and its ripple effects is crucial.

CREATE A GOVERNMENT RELATIONS PLAN

Most of the challenges as well as potential solutions identified in this report are directly related to government policy at all levels. Property tax reform, municipal community amenity contribution policy, and grant funding levels and eligibility requirements, among other issues, are in the domain of external policy. A targeted plan that outlines key government contacts, provides focused messaging and proposes timelines will help ensure the concerns of C-Space and the broader cultural space community remain in critical view.

EXPAND THE ADVOCACY NETWORK

Tied to the above pieces of work, focusing the attention of the community of affordable cultural space providers on key issues will strengthen the effectiveness of this critical messaging. Key issues, here, include creating and sustaining "affordable spaces," developing operating funds, community ownership and property tax reform.

ACTIVELY LOOK FOR NEW SPACES

C-Space has just signed a new five-year lease for PL1422. Given current financial forecasting and the landlord's unwillingness to sell the building to C-Space, it is recommended that the organization begin looking for a new home that is both fully accessible and sustainable long-term. Ownership, City-owned space and any other type of subsidized long-term lease are the superior options available. Each option requires additional research and advocacy, including (but not limited to):

- active engagement in the City of Vancouver's CAC process, including advocacy for cash CACs and DCL funding to enable C-Space and other organizations to work toward securing their own real estate assets;
- exploration of and advocacy regarding new developer-related funds in the commercially zoned False Creek Flats area, also in support of organizations securing their own real estate assets; and
- developing relationships with property owners and developers in C-Space's target locations.

10.0 CONCLUSION

Ultimately, the goal of C-Space is not simply to survive or to hold on to PL1422 at all costs but rather to provide an environment where the resident companies can thrive. The aim is to ensure these artists and organizations continue to have the resources and environment needed to innovate, create and captivate audiences for years to come.

Perhaps the most frustrating conclusion drawn from this process is that C-Space's current space-allocation and space-sharing model works extremely well. Organizations are able to produce and workshop their shows from their administrative home; there is sufficient spatial capacity to support, subsidize and mentor emerging companies in developing their own programs and organizations; and a well-established community connection provides efficiencies and benefits to all. What does not work (and which will be further challenged in the future) is the funding and real estate market context in which C-Space exists. Their artist-led approach will ensure that whatever comes next for the organization is not limited by a market imagination but by artistic innovation, strategic and thoughtful actions, and community collaboration.

Backstage: Progress Lab 1422 and the Future of Performance Creation Spaces
was researched and written by Caitlin Jones for C-Space.

We acknowledge the support of our funders; Canada Council for the Arts, United Way Centraide, British Columbia Arts Council and British Columbia's Community Service Recovery Fund.



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