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June 22, 2021

Rosemary Landry, President
Fort St. John Community Arts Council
Box 6474
Fort St. John, BC
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Dear Rosemary,

## **RE: North Peace Cultural Centre**

Thank you for your correspondence dated June 18, 2021, relating to the recent Council decision not to renew the Management Agreement with the North Peace Cultural Society (NPCS). I understand the feelings of disappointment and surprise you have indicated that you felt when hearing the news. The discussion in the aftermath of this decision has also been surprising and disappointing to City Council and staff. I will use this letter to address some of your points and make you aware of several concerns that led to our relationship's suspension in this capacity. Most of these concerns had been raised behind closed doors in our discussions with the board of the Cultural Society, and they have been aware of these concerns for months and throughout many conversations with our staff. Although it was our original intention to keep the discussion of these deficiencies private, the record needs to be corrected.

Firstly, our concerns related to the delivery of content, the planning of events and the full utilization of the facility. Many events have indeed been held at the North Peace Cultural Center (NPCC) over the years; however, these events have been few and far between in recent years. We are aware that COVID-19 has taken a toll on all organizations; however, our expectation and hope was that some virtual, COVID-19 compliant programming could have been delivered. Our staff have been in frequent contact with Society staff to assist with virtual events, but there has been no engagement on this front. We are led to believe that our experience is not unique. When we compare ourselves to other communities, we see a stark difference between what is possible and what has been delivered. One such example is to look at the rich programming and events, including virtual events on the Kiwanis Performing Arts Center website. By comparison, the NPCC website lists the only content available as a single kid's arts class. This reflects an incredible lack of profile within the community and a questionable value for money. On Google, you will find that most reviews are between three and seven years old, and there is no way for the public to go online and engage with cultural opportunities.

While we have heard from several previous and current users of the Centre, the Fort St. John Public Library has been central to many of our council decisions of late. This has stemmed in part from their frequent attendance at Fort St. John City Council meetings, during which time they have indicated to us that their very viability was at stake and that they were on the cusp of ceasing to exist as an entity. This came as a surprise to us, given the large funding envelope we provide every year to support their essential services. When our staff examined the

issue, we learned that the Library was paying over \$80,000 annually in rent to the NPCS. It is unfathomable that a non-profit should be forced to pay such exorbitant rent in a city-owned facility. Further, that despite this being the equivalent to a commercial rental rate, requests for health and safety and basic maintenance issues were ignored by the NPCS as it managed the facility on our behalf. In recent months, our staff have had to undertake the maintenance and repair activities at the Library to address these considerable concerns.

As we examined both the lack of programming being delivered to the broader community and the poor and deteriorating relationships with the Society, we learned that they had accumulated a cash reserve of \$500,000. The source of this considerable wealth has been the rental and leasing of the facility in large part to organizations and groups which have nothing to do with the delivery of cultural content. The rental rate for non-profits was set at a twenty percent discount to the commercial rate. For many non-profits, this has meant is that they can no longer afford the space. We have learned that a local school was charged \$15,000 for the use of the stage and that several other groups have left the facility, citing affordability issues.

Many issues have caused concern, and to elaborate on them individually would be time-consuming and perhaps not fruitful. I will leave you with one which has been of particular concern in the aftermath of our announcement. As typical in catering, the NPCS charged gratuities on the food prepared; however, these gratuities were not passed on to the staff but, instead, were kept by the Society. We are making further inquiries to determine the extent of this practice. Still, I cannot emphasize in strong enough terms how troubled I am by the fact that gratuities were collected from groups who felt they were supporting service workers and the fact that those same service workers were deprived of these gratuities. I have been led to believe that one staff member successfully recovered their tips but that others were not. We are continuing to advocate for the right outcome on this issue.

It is essential to understand that this agreement expired in November 2020, and we met several times with the board of the Society. During these meetings, we have advised them of our numerous concerns about service delivery, relationship with other non-profits, failure to provide adequate health and safety oversight in the facility, and the disproportionate number of non-cultural revenues being created to provide revenues to the Society but not contributing to culture.

In 2015, Council was presented with a report on how best to manage the Centre. Despite many of the same issues being identified then, the decision was made to continue the arrangement. It has become evident that these issues have persisted. Our conversations broke down for two reasons; first, repeated requests were made for documentation and records to support the claims made by the Society board. These documents were delivered late, or not at all. Secondly, Council wanted an agreement with clear deliverables on cultural programming. The Society was unwilling to attach any deliverables to their agreement and repeatedly expressed that the delivery of content was not their role, but that the allocation of space was. I have already made clear my views on the costs associated with that space and the fact that much of it was for commercial, not artistic purposes.

The gallery and before and after school programs have been and remain programs of the NPCS. They have been invited to have discussions about entering into arrangements with us to continue these services. We remain receptive to having those conversations.

Although your advocacy may focus more on the fate of organizations in the arts and culture space, I would urge you to consider that Council chose to balance their decision in favour of the need for affordable and deliverable cultural services for the entire community and the critical services offered by the Library, that are directly under threat.

Also, you need to understand that we have received several calls and emails of support from volunteers, patrons, members of cultural groups, and others who are looking for something better in the aftermath of this decision. That is what we will be delivering. We have, in place, plans to hire a manager who will be responsible for the service and ethical standards expected of such services. We will continue to provide space to support arts and culture and work towards ensuring that arts and culture organizations have an affordable, professional and effective facility that is well run, well maintained and most of all accessible. Over the transition period, we will be having discussions with affected groups to determine the best path forward on an individual basis. Those that enjoy the facility now will continue to do so.

Thank you,

Mayor Lori Ackerman