

ARTS BUILD ONTARIO
Creative Spaces Case Study Series
Meridian Hall



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Table of Contents

Introduction	3
ArtsBuild Ontario	3
Meridian Hall	4
Interviewee	4
Mission	4
Historical Background	4
Project Summary	4
The “What”	5
What was built?	5
What were the project timelines?	5
The “Why”	5
Why did they take on these capital projects?	5
The “Who”	6
Who was involved in the project?	6
Who supported these projects outside of Meridian Hall?	6
Who was contracted for these projects?	6
Who opposed the projects?	6
The “How”	7
How did the project go from concept to construction?	7
How was a construction plan formed?	7
How were day-to-day operations and organizational capacity impacted?	7
How were contingencies managed?	7
How was accessibility included in the project?	8
How was energy efficiency and the environment incorporated?	8
How was the project funded?	8
The “Ongoing”	8
How were new operating finances projected?	8

Does the space provide additional revenue?	8
How will the facility be maintained?	9
What lessons were learned?	9
Case Study Summary	9
Resources	10

Introduction

These in-depth case studies serve as a resource for arts and heritage organizations embarking on a capital project to learn from the successes and challenges of others in the sector.

In these case studies, we analyze the **why** (why they took on this capital project), the **what** (what were they building and creating), the **who** (who are they serving, who supported this project, who led this project and who they hired), the **how** (how was the project financially supported and what positions were created/how were they funded), and **the ongoing** (what happened after? How is the building maintained/operated? Is it sustainable? How is revenue generated?) behind each project.

We looked at a wide range of spaces from across the province with varying operational models, sizes, locations, project sizes and artistic disciplines. The case studies focus on each organization's process for completing their project; from the planning phase, to the building phase, to the operations and maintenance phase. Following the completion of all 19 case studies, a Best Practice Summary released on ABO's website, free for all to access.

The case study series is supported by the Learning Series, which is a collection of webinars and workshops that support ABO's core programs. Webinars that highlight the capital projects featured in the 2018-2020 case studies series are available on the ABO website. Please check <https://www.artsbuildontario.ca/learning/webinars/> for more information.

The case study series is supported by the Department of Canadian Heritage and Canada Council for the Arts.

ArtsBuild Ontario

ArtsBuild Ontario is the only organization in Ontario dedicated to realizing long-term solutions to building, managing and financing the sustainable arts facilities needed in our communities.

ABO offers tools, resources and programs that support arts organizations with their creative space projects. ABO's core programs include Asset Planner for the Arts, the Creative Spaces Mentoring Network, and the Learning Series.

Meridian Hall

Interviewee

- Matt Farrell, Vice President of Operations

Mission

Meridian Hall's mission is to entertain, educate and unite world citizens through great artistic experiences.

Historical Background

Since its inception, Meridian Hall (formerly the Sony Centre for the Performing Arts) has presented and hosted countless renowned musicians and bands, dance companies, comedy acts, family programs, films with live orchestra, international performers, award shows and special events. The remarkable landmark and iconic building opened on October 1, 1960 as The O'Keefe Centre. The architecture partnership between Forsey Page and Harland Steele, along with Architect Peter Dickinson put Toronto on the cultural map with this unique venue. Built in the Mid-Century Modern style, the Centre features the largest soft-seat auditorium in Canada and unobstructed sightlines of the stage. The extensive use of bronze trim, cladding, and doors, and the use of Carrara marble throughout the main lobby imparts a sense of grand opulence to the Centre, as does artist York Wilson's famous mural, The Seven Lively Arts.

In 1996, the theatre was re-named The Hummingbird Centre, and in 2007 the theatre closed for major renovations, reopening as the Sony Centre for the Performing Arts on the Centre's 50th birthday, October 1, 2010.

In 2019, TO Live — the City of Toronto Agency that operates three of the city's iconic theaters the St. Lawrence Centre for the Arts, The Sony Centre for the Performing Arts, and Toronto Centre for the Arts — formed a long-term partnership with Meridian Credit Union to see the Sony Centre renamed Meridian Hall.

Project Summary

Prior to being renamed Meridian Hall and joining TO-Live, the formerly named Sony Centre for the Performing Arts underwent a series of capital improvement projects totalling over \$10,000,000 from 2016-2018. This case study will identify the capital upgrades and offer insights into how the organization was able to identify the need for these projects through a comprehensive building condition assessment, and the municipal process that enabled them to move from conception to completion.

The “What”

What was built?

From 2016 - 2018 the building underwent capital improvement projects totalling over \$10,000,000.

They included:

- Replacement of the existing rigging system (\$2.5M)
- Limestone cladding restoration of the entire building envelope (\$3M)
- Restoration of the landmark cantilever canopy (\$1M)
- Replacement of the orchestra pit lift (\$0.5M)
- Loading dock enhancements (\$0.5M)
- Power and communication upgrades to the theatrical lighting system (\$1M)
- Total replacement of the stage floor with a new “sprung” floor including a 40’x40’ “trappable” area (\$0.75M)
- Replacement of the main stage sound system (\$1M)

What were the project timelines?

As these renovations were all individual projects, they had individual timelines and procurement processes. Every project was generally given a one-year timeline. Once the budget was approved, the first six months were spent in the procurement of an architect or consultant. Drawings or designs were then created, and a building contractor was procured. After a schedule and plan was decided upon, construction began. While they were treated as individual projects, timelines and construction often overlapped.

The “Why”

Why did they take on these capital projects?

In 2015 Meridian Hall underwent a building condition assessment to support the capital planning of the facility. The report included a full assessment of the current condition of the building, and informed the creation of a ten-year capital plan. Budgets for immediate repair needs as well as typical capital renewal items were identified to provide a basis for forecasting upcoming capital expenditures and repairs.

Several companies were included in this assessment:

- **WSP Canada Inc.** reviewed the building structure; roofs; walls; windows and doors; representative portions of the interiors; the site; and mechanical, electrical, plumbing, and fire safety systems. They also completed a Building Code Review.
- **Notiva Techne Limited** reviewed the theatre equipment and systems.

- **Ayling Consulting Services Inc.** conducted a specialist assessment of the elevating systems.
- **Architecture49 Inc.** completed an Accessibility Audit.

From this fulsome assessment, Meridian Hall created a ten-year capital plan, determining priorities based on a rating system. The top priority renovations were related to health and safety, followed by legislated upgrades. Number three on the list was state of good repair, number four was service improvement and number five was growth related.

The “Who”

Who was involved in the project?

These renovations were led by Matt Ferrell, Vice President of Operations, Civic Theatres Toronto. Every capital project over \$100 000 was approved by the organization's board of directors.

They did not take out any extra insurance for these projects and turned to the City of Toronto Legal staff for any legal counsel needed.

Who supported these projects outside of Meridian Hall?

The renters that use the theatre played an important role in the development of these projects. As the venue hosts many repeat clients, Meridian Hall was able to take their feedback into account, and incorporate it into the renovations. The facility upgrades have ensured more efficient technology, and enabled users to produce their shows more affordably.

Who was contracted for these projects?

For each project, 10% of the capital project budget was allocated to securing a project manager from the organization. The project manager was then responsible for putting the project out to tender, and securing an architect or consultant and construction team.

Who opposed the projects?

As the need for these projects was supported by the detailed building condition assessment, and the main motivator was health and safety of the performers and patrons, there was no major opposition to the project. While there were some disagreements on the project team on aspects of the project such as the design of certain features, they were discussed and managed by the project manager.

The “How”

How did the project go from concept to construction?

Along with providing an argument for why the renovations were needed, the building condition assessment offered insights into which projects were the most pressing and an estimate on their cost. With this information, the municipality was able to include plans for renovations in their ten-year plan. Accordingly, the municipality's City Finance department made recommendations on how much money can be spent, and the upcoming projects were articulated in the annual City Budget. With the board of directors' approval, these projects then moved from conception to construction.

How was a construction plan formed?

For each project, the assigned project manager from Meridian Hall was responsible for the procurement process, securing the necessary architect or consultant for the project. Once a contract is awarded, the project manager would take a step back from the project, appointing the chosen architect as their representative. While the project manager would still attend meetings and be involved in the design process, they were not active construction managers. The project manager did however, coordinate the construction schedule with the larger team, to ensure construction did not conflict with a theatre booking. Due to the nature of being a live performing arts venue, contracts needed to identify that construction may have to occur outside of traditional working hours or stop altogether during a booking. While the venue had to pay extra upfront for this condition, it saved them from paying overtime or after hours rates and enabled them to control the construction schedule as needed.

How were day-to-day operations and organizational capacity impacted?

Considering the large scale and overlapping timelines of these projects, undertaking these renovations was all consuming for the project manager. Staff were working over-capacity and working long hours to manage these tasks.

How were contingencies managed?

Meridian Hall allocated a minimum 5% contingency on each project. This number often fluctuated, reaching as high as 30% of the project budget. A risk assessment was performed for each project, and the higher the risk, the greater the contingency fund was. By always anticipating projects will take longer and cost more than anticipated, contingencies can be worked into the project plan. Having a plan B or C can also be a solution to managing contingencies. By predicting what may come in over budget or what aspect of the project may not be completed as end the date approaches, alternatives to technologies or project workarounds can be determined earlier on in the project.

How was accessibility included in the project?

In past and future renovations, Meridian Hall recognizes that accessibility goes beyond the traditional notion of physical accessibility, and considered invisible disabilities as well as experiential accessibility in their accessibility audit. Meridian Hall referenced the City of Toronto Accessibility and Design Guidelines, which are intended to assist all sectors in the City to conduct accessibility audits and plan developments as the municipality works towards making Toronto a "barrier free" community.

How was energy efficiency and the environment incorporated?

Energy efficiency and the environment was incorporated in the renovations whenever possible. For instance, when building's canopy was redone, all of the light bulbs were replaced with LED lights. There have also been a couple upgrades to the mechanical system that have improved environmental efficiency. These upgrades have provided Meridian Hall with substantial rebates and reduced the electricity bill.

How was the project funded?

The projects were funded through grants or municipal funds. Grants were provided by the Department of Canadian Heritage's Cultural Spaces Fund, and matched by municipal public funds. Much of the project's municipal funding was provided by Section 37 of Ontario's Planning Act. Section 37 enables the City to negotiate contributions towards local community benefits for development applications that exceed a site's zoned height and density.

The "Ongoing"

How were new operating finances projected?

While the effect a capital project has on the budget often varies, Meridian Hall was conservative in their budget projections. They did not project savings in the first year following the capital upgrade(s).

In terms of their budget, once an asset had been upgraded or renovated, it moved from the capital budget to their operating budget. And once an asset was improved or repaired, the amount it costs to operate often changes. For instance, a fire alarm system may cost \$2,000 a year to maintain, but by investing \$15,000 to update the fire alarm system, it would now only cost \$500 annually to maintain.

Does the space provide additional revenue?

Since their renovations, Meridian Hall has experienced an increase in renters. Their facility has become more efficient for users, and enables them to produce productions more affordably. While many of their capital upgrades require an increase in annual inspections, these costs have been offset by the increase in revenue received from renters.

How will the facility be maintained?

Meridian Hall will use their projected ten-year plan to maintain the facility. Their assets are also listed in an all-encompassing Excel document to support their efforts. Rather than having a large reserve fund for their capital upgrades, renovation costs are incorporated into the overall budgets for each asset.

What lessons were learned?

By repeatedly going through the process of securing an architect or contractor for each project, Meridian Hall was able to refine their procurement process. Through repeated experience and extensive conversations with the City's legal department, they were able to develop an effective and succinct procurement process for their capital upgrades.

Case Study Summary

By undergoing a series of capital upgrades that simultaneously address facility and user needs, Meridian Hall offers lessons in asset management and prudent capital planning. With support from an in-depth building condition assessment, they were able to justify the need for renovations and produce a ten-year capital plan to address necessary facility upgrades.

Resources

The following resources below have been provided as additional information for readers.

Website:

- [Meridian Hall](#)

Documents:

- [Sony Centre Building Condition Assessment: Design, Construction & Asset Preservation](#)
- [City of Toronto Accessibility Design Guidelines](#)
- [City of Toronto, Operating Budget 2019](#)
- [The Role of Section 37 in Toronto](#)

Additional Resources:

- [Asset Planner for the Arts](#) (An acclaimed online asset management tool that makes it easier for you to keep your facility in good repair)