



## Business Plan

# Qaggiq – Nunavut Performing Arts & Cultural Learning Hub

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## **ACKNOWLEDGEMENTS**

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# 1.0 Executive Summary

## 1.1 Overview

Canada's Arctic is poised to lead the circumpolar world in strengthening Inuit culture by creating a dynamic, technologically innovative performing arts and Inuit cultural learning hub in Iqaluit. Despite the richness of the Inuit artistic heritage, Nunavut is the only territory/province in Canada without a performing arts space.

Qaggiavuut is a non-profit society working to build wellness, culture and Inuit language sustainability in Nunavut by supporting Inuit performing artists with training and opportunities to strengthen and expand the reach of their creations. Qaggiavuut is dedicated to strengthening and advocating for Nunavut's performing artists and is leading the campaign to raise funds and build supportive partnerships for the construction of Qaggiq – a Nunavut Performing Arts and Cultural Learning Hub.

Qaggiq is an Inuit term to describe a spectacular igloo where people gather to strengthen culture and celebrate life through song and story. Qaggiq will create a physical space for cultural exchanges between the North and people from around the globe interested in Inuit culture. To work towards realizing the concept of the Qaggiq, Qaggiavuut will need to strategize a multi-phased proposal to the federal government. Qaggiavuut has engaged Colliers Project Leaders to prepare a business plan to substantiate its proposal for Qaggiq. The purpose of the business plan will be to identify potential annual programming, capital costs, operating costs, potential revenue and funding sources. The business plan will provide an overview of the resource requirements and thereby provide direction to Qaggiavuut in further planning of the project.

## 1.2 Objectives

Inuit culture is nurtured and preserved for posterity through its songs, stories and dances. Colonization had a very negative impact on Inuit culture. Inuit performing arts were eroded and lost during this period. Qaggiavuut strives to preserve this unique human heritage by working with Inuit artists to keep this precious cultural tradition alive. Qaggiavuut believes that Iqaluit as the capital city of Nunavut and the largest urban centre of Inuit Canada, rightfully deserves a space to honour the Inuit performing arts. It will also provide opportunity to launch a cultural industry in Nunavut and provide higher education in the performing arts.

The strategic long-term objectives of the Qaggiq are to:

- Serve as a platform for the Inuit performance artists of the circumpolar world;
- Provide artistic and technical training to aspiring and experienced performance artists;
- Develop performing arts exports from Nunavut to share with Canada and the world;
- Produce Inuit cultural content for distribution across Inuit communities and the world.
- Present professional performing arts in Nunavut;

The purpose of this business plan is to study and present these factors so that it can be used as a tool to guide the project stakeholders in planning and execution of the project. It will also help outline the rationale for undertaking the project, by clearly defining the objectives, estimating time and cost factors, and critical risk factors involved in the project. The specific objectives of the Qaggiq – Business Case Development assignment are:

- To research and develop an order of magnitude development cost estimate
- To estimate Qaggiq operating costs.

- To explore potential revenue streams.
- To explore potential funding sources.

## 1.3 Success Factors

Out of the many factors that determine the outcome of a project there are a handful that influence the effectiveness of a project and determine its overall success. These are also related to the strategic actions that must be tracked and fulfilled to ensure that the objectives of the project are met. The key success factors identified for this assignment are that:

- The business plan will be based on sound research, data and facts.
- The business plan will provide an overview of Qaggiq's capital requirements and operational performance
- The business plan will demonstrate to governments that their support of Qaggiq helps to achieve their targets and mandates.
- The business plan will aid Qaggiavuut in building both public and private partnerships and in securing project funding.

## 1.4 Key Findings

For Qaggiavuut one of the key purposes of the business plan is to understand the order of magnitude costs of developing and operating Qaggiq. Currently Qaggiavuut operates out of a leased office space and delivers its annual programming through various venues across the City through short term rental arrangements. For the purposes of this business case a spreadsheet model to develop the capital cost estimate, tentative operating program and operating budget was created.

Our investigations revealed that the construction cost premium in Iqaluit is to the order of 2.4 times the cost of constructing a similar facility in the Greater Toronto Area (GTA). The hard construction costs comprising of site works and building construction costs were estimated to be approx. \$3.8 M and \$48.3 M totalling \$52.1 M. The soft costs comprising of architectural, engineering, and specialist consultant's fees, legal fees, permits, insurance etc. were estimated to be approx. \$10.3 M. Furniture, Fittings and Equipment (FF&E) comprising of components that are not permanently fixed to the structure were estimated to be approx. \$1.2 M. The total development costs including all the cost components mentioned above is \$63.6 M.

For the past two fiscal years the majority of Qaggiavuut's operational program funding has been from the following sources: philanthropic sector - approximately \$600,000, the Federal Government - a total of \$560,000.00, the Government of Nunavut - a total of \$320,000, and the Private Sector providing \$50,000.00. It is expected that the sources of funding and ratios for both capital and operating expenses will change as Qaggiavuut qualified for core funding from the Government of Canada and the Government of Nunavut and the fundraising campaign raises interest among the philanthropic and private sectors. The table below provides an overview of the estimated capital costs, operating expenses and potential funding sources and availability based on Qaggiavuut's estimates.

**Table 1: Summary of Findings – Cost and Funding**

	Upfront Capital	Operating Expenses	Capital Expenditure
<b>Costs Incurred</b>	63,600,000	3,700,000	
<b>Earned Revenue</b>		2,400,000	
<b>Deficit to be Funded</b>		1,300,000	636,000
<b>Potential Funding Sources:</b>			
City of Iqaluit	0	50,000.	0
Govt. of Nunavut (Dept of Education, ED&T, Culture, Health)	5,000,000	250,000	63,600
Creative Canada: Department of Culture & Heritage (Canada)	30,000,000	0	190,800
Canadian Arts Training Fund (Canada)	0	500,000	0
Canada Council for the Arts: Core & Project Funding	0	400,000	0
Indigenous and Northern Affairs Canada (INAC, Federal Govt.)	5,000,000	50,000	318,000
CANNOR	500,000.	150,000	0
Philanthropic Sector	2,952,000	50,000	0
Private Sector Sponsors	12,500,000	50,000	0
Inuit Organizations	2,500,000	50,000	0
Donations	1,080,000	50,000	0
Reserve	0	0	64,000
<b>Total Funding</b>	<b>63,600,000</b>	<b>1,600,000</b>	<b>636,400</b>

*All figures above have been rounded to the nearest 100,000. Annual capital expenditure is estimated as 1.0% of the construction cost of the facility. A new facility may not incur any significant capital expenditure until after the first 15-year period. Qaggiq could set aside a specific amount (approx. up to 0.1% of the estimated 1.0%) annually as a reserve to plan for the capital replacement costs towards the end of this period. In addition to that the table also provides an indication of the potential sources through which the estimated capital expenditure could be funded, in the absence of a reserve fund.*

## 1.5 Conclusion

As a pilot project in the performing arts sphere in Iqaluit, the analysis of Qaggiavuut's vision, its physical concept as well as programming has revealed that there is a strong case to be made for this endeavor. The study revealed that the upfront capital costs of developing the facility will be significant owing to the location of Iqaluit. Operating expenses also have been found to be higher, but this is an item that is slightly more challenging to estimate given the variety of factors that need to be taken into consideration. However, the operating deficit (net of earned revenue and operating expenses) was found not to be significantly higher than a similar facility located elsewhere in Canada. If Qaggiq performs annually according to the tentative programming, it is estimated that the operating (earned) revenue will cover up to two thirds of the operating expenses, which is line with many similar facilities.

Often the challenge with operating such facilities is that there could be significant variation of actual programming in comparison to the plan. Considering Qaggiavuut's experience with planning and managing operational programming over the years, it is not expected to vary significantly from the plan. This is also because Qaggiq's programming will be heavily weighted towards programs that ensure regular annual

cashflow such as educational programs and exhibitions related to Inuit performing arts as opposed to depending on revenue from external entities hosting performing art shows. Majority of these educational programs are ongoing and are already funded. The rest will be conducted in partnership with local schools and post-secondary institutions as per a long-term agreement and confirmed sources of funding.

Even though the purpose of this study is not to measure the benefits of engagement with the arts, it has come across various instances where the local community as well as businesses can benefit positively from it. Iqaluit’s arts and culture sector is growing with efforts of organizations like Qaggiavuut. Qaggiavuut had conducted preliminary exploratory work in establishing the benefits of art in maintaining enhanced personal well-being, improvements because of arts education programs, and its subsequent impact on community vitality, etc. It is now a question of bringing these lessons learned to the table and determining what is most useful for assessing a specific investment in performing arts.

The next steps in this process will involve initiating deeper and more refined stages of planning and obtaining feedback from the various levels of the government and its arms that promote art and culture. This business plan looks at Qaggiq’s functional feasibility, i.e. how well it can perform as an operational entity; it does not analyze empirically the socio-economic benefit Qaggiq would bring to the community. Qaggiavuut’s effort has borne fruit in bringing about cultural cohesion and positive identification of the community with its cultural roots, it would be helpful to see how the development of arts impacts social participation, job creation, and diversification of economic base. It is therefore recommended that the next important step to substantiate its case as a valuable addition to the City’s cultural assets should be a study investigating its net socio-economic impact. Once the socio-economic impact is established, it should be followed through by a site selection analysis. The location of the facility is as important as its physical and socio-economic feasibility, in fact it can be a determining factor in its future performance in these areas and overall success of the project.

The table below lays out the potential next steps in two timeframes - zero to six months and six to eighteen months.

**Table 2: Next Steps**

Timeframe	0 to 9 months			6 to 18 months	
<b>Activity</b>	Socio-Economic Impact Assessment	Site Selection Analysis	Explore public-private partnerships; Appoint Project Manager; Conduct Procurement Analysis	Design Development, Statutory Approvals, Contract Documents,	Award of Construction Contract
<b>Participants</b>	Consultants, Qaggiavuut & Partners	Consultants, Qaggiavuut & Partners	Consultants, Qaggiavuut, Government Entities, Local Businesses, International Corporations	Consultants, Qaggiavuut & Partners	Consultants, Construction Contractor, Qaggiavuut

## 2.0 Background

### 2.1 Overview

Qaggiavuut is a non-profit society working to build wellness, culture and Inuit language sustainability in Nunavut by supporting Inuit performing artists with training and opportunities to strengthen and expand the reach of their creative efforts. Qaggiavuut has provided training and performing arts programming to over 300 Inuit performing artists and to over 5,000 Nunavut children and youth.

Qaggiavuut is dedicated to strengthening and advocating for Nunavut's performing artists and is leading the campaign to raise funds and build supportive partnerships for the construction of Qaggiq – a Nunavut Performing Arts and Cultural Learning Hub. At Qaggiq, Inuit stories, music, theatre, drum songs and dance will be created, taught and presented. It will play a crucial role in maintaining Inuit culture and language and empowering Inuit youth, through artistic expression. "Qaggiq" is an Inuit term to describe a spectacular igloo where people gather to strengthen culture and celebrate life through song and story.

Canada's Arctic is poised to lead the circumpolar world in strengthening Inuit culture by creating a dynamic, technologically innovative performing arts and Inuit cultural learning hub in Iqaluit. Despite the richness of the Inuit artistic heritage, Nunavut is the only territory/province in Canada without a performing arts space. Qaggiq will create a physical space for cultural exchanges between the North and people from around the globe interested in Inuit culture.

To work towards realizing the concept of the Qaggiq, Qaggiavuut will need to strategize a multi-phased proposal to the federal government. Qaggiavuut intends to explore and form partnerships with various governmental and cultural agencies such as the Government of Nunavut including leads from the divisions of Cultural Industries, Tourism, Economic Development, Culture, Language and Heritage, Education, Mental Health and Infrastructure and the Government of Canada including Culture & Heritage, INAC and CanNor. Other partners would include representatives of the Qikiqtaaluk Development Corporation, NCC Investment, City of Iqaluit, Nunavut Tunngavik Incorporated, Qikiqtani Inuit Association, Inuit Heritage Trust, Alianait Festival, Francophone Association of Iqaluit, Pirurvik Centre, Nunavut Film Commission, Nunavut Tourism, Iqaluit Museum Society and others. Qaggiavuut has engaged Colliers Project Leaders to prepare a business plan to substantiate its proposal for the Qaggiq. The purpose of the business plan will be to identify potential annual programming, capital costs, operating costs, potential revenue and funding sources. The business plan will provide an overview of the resource requirements and thereby provide direction to Qaggiavuut in future planning of the project.

### 2.2 Objectives

Colonization had a very negative impact on Inuit culture. Inuit performing arts were eroded and lost during this period. Qaggiavuut strives to preserve this unique human heritage by working with Inuit artists to keep this precious work vibrant today and carry it forward into the future. Its aim is to build a sense of belonging among the community, especially the Inuit youth. Qaggiavuut believes that Canada rightfully needs a space to honour the Inuit performing arts. It will provide opportunity to launch a cultural industry in Nunavut and provide higher education in the performing arts including the cultural, visual and technical fields of the arts.



The strategic long-term objectives of the Qaggiq are to:

- Serve as a platform for the Inuit performance artists of the circumpolar world where they will create, build skills, collaborate and present their work;
- Present professional performing arts in Nunavut;
- Provide artistic and technical training to aspiring and experienced performance artists;
- Work towards developing performing arts exports from Nunavut to share with Canada and the world; and,
- Produce Inuit cultural content for distribution (online streaming and broadcast) across Inuit communities and the world.

Before embarking on any major capital project, it is imperative to outline the rationale for undertaking the project, by clearly defining the objectives, estimating time and cost factors, and identifying emergent and prevailing critical risk factors that may be involved in the project. The purpose of this business case is to study and present these factors so that it can be used as a tool to guide for planning and execution of the project.

The specific objectives of this business plan are to:

- Research and develop an order of magnitude development cost estimate
- Estimate Qaggiq operating costs
- Develop an outline of the annual operating program for Qaggiq
- Explore potential revenue streams
- Explore potential funding sources

## 2.3 Success Factors

There are often multiple factors that determine the outcome of a project. However, only a handful of these factors influence the effectiveness of a project and determine the overall success of the project. These are the strategic actions that must take priority to realize the mission and objectives of the business plan.

The key success factors identified for this assignment are that:

- The business plan should be a convincing document that is realistic and based on sound research, data and facts.
- The business plan should outline a concrete plan that can be brought to governments to demonstrate how Qaggiq will be developed and operated.
- The business plan should be able to demonstrate to governments that their support of Qaggiq helps to achieve their targets and mandates.
- The business plan should aid Qaggiavuut in building both public and private partnerships and in securing project funding.

## 2.4 Project Methodology

**Table 3: Project Methodology**

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Stage 7
Information gathering (status quo)	Validation of space program	Validation of operational programming	Exploration of revenue sources	Estimate capital and operational costs	Explore funding sources	Final Report – Recommendation and Preliminary Implementation Plan

The staged approach helps us to have a high degree of control over utilization of time and other resources, by being able to confirm the rationale at each stage before proceeding to the subsequent stage. Dividing efforts into these seven phases helped us to structure and simplify the research into a series of logical and manageable steps. The seven steps are elaborated below:

Stage 1 – The purpose of this stage was to understand how Qaggiavuut operated currently and what were the limiting factors that hindered its day to day functions. Colliers worked with Qaggiavuut to understand the current operational program, space requirements and annual program costs. It was understood that Qaggiavuut currently operates out of a small facility that it owns and that it cannot address any of its program specific requirements. Performances, artistic and technical training sessions are conducted in space leased on a temporary basis. These are usually gathering spaces such as banquet halls in hotels and similar facilities.

Stage 2 – Space program prepared by Qaggiavuut in association with Diamond Schmitt was reviewed. Spaces associated with performance arts were reviewed in relation to a tentative annual operating program prepared by Qaggiavuut to understand its needs and relevance of spaces originally defined. Space requirements were validated and revised with respect to Qaggiavuut’s programming needs.

Stage 3 – A tentative annual operating program was developed in association with Qaggiavuut to understand the utilization of the various spaces planned for the Qaggiq. The operating program identified how many days each performing space such as the large theatre, rehearsal room, ensemble room etc. will be booked. It also took into consideration the type of organization that booked the space, i.e. whether it was Qaggiavuut itself, any similar non-profit organization, educational or governmental institutions or commercial for-profit entities. Depending on the type of organization Qaggiavuut also outlined a fee structure to be charged for leasing out performing spaces.

Stage 4 – Based on the operating program developed in stage 3, the study estimated the potential operating revenue that could be generated annually by Qaggiq.

Stage 5 – Colliers reviewed construction costs available through various published studies of similar facilities across the GTA and Canada. This was followed by a review of costing yardsticks published by leading cost consulting firms. In addition to these two sources Colliers utilized its in-house experience in managing similar projects to validate the cost data thus gathered and developed a Class D cost estimate for the proposed Performing Art Centre (Qaggiq) in Iqaluit.

Operating expense information was gathered from a variety of sources including previous projects managed by Colliers and those available in the public domain. The operating expenses estimate took into

consideration the annual wages and benefits paid to employees, and building operating costs. The wages and benefits paid to full-time staff had the highest ratio to the overall annual operating cost, followed closely by wages to event-based labour and building operating expenses.

Stage 6 – The business plan reviewed the current sources of funding, availability, and frequency to determine if the same sources can be depended up on for funding the future operations and capital expenditures. Also, at this stage sources for funding upfront capital costs towards the development of the proposed facility was also explored.

Stage 7 – The final stage of the business plan focused on drafting a high-level implementation plan, outlining a tentative time line of the major activities, challenges and risks in the first 6 to 18 month period where the feasibility of the project will be further explored and in the period following that concrete steps will be taken.

## 3.0 Data Collection & Analysis

### 3.1 Status Quo

City of Iqaluit is the largest community in the province of Nunavut with a population approaching approx. 8,000 people. It is also Nunavut's only city. The City is home to a large population of Inuit. Qaggiavuut has been working in the forefront to retain and nurture the unique traditions of Inuit music, dance and stories. These stories and songs are Inuit history and the key to strengthening a culture and language at risk. Many Inuit performing arts were lost during the past century through colonization and keeping them vibrant today builds a sense of belonging among youth. Qaggiavuut currently operates out of small house they own in Iqaluit. Over the years it has developed a comprehensive program to train Nunavut performing artists and deliver performing arts classes and workshops to children and youth.

Qaggiavuut's efforts have resulted in providing art and technical training to over 300 Inuit performing artists and to over 5,000 Nunavut children and youth. In 2017, more than 25 Inuit performing artists doubled their income in the arts as a result of the support received from Qaggiavuut programming. Qaggiavuut's activities over the years in strengthening the Inuit culture and creating awareness amongst the public have borne fruit. It believes that to grow to an organization that can be a platform for creating and nurturing indigenous art in the circumpolar world and beyond it will need a dedicated facility that it can call home. This will be a space where the people of Iqaluit and the outlying communities of Nunavut can immerse themselves in the Inuit arts, language and culture. Exposure to the arts builds the essential skills of belonging to community, engagement in society and personal reflection.

Qaggiavuut has worked with various governmental and non-governmental organizations to secure necessary funding for their activities. This has made Qaggiavuut a familiar name in the performing arts scene. On Canada's 150th, Qaggiavuut launched a fundraising campaign to build Qaggiq. Canada's National Arts Centre, along with other performing arts facilities in Canada, has provided expert guidance and support. Leaders in the government of Nunavut, Inuit organizations, NGOs and the city of Iqaluit pledge support and leaders in the Canadian cultural community have formed the Friends of Qaggiavuut (led by former Governor General Adrienne Clarkson) to lend their expertise in fundraising, construction and programming.

In September 2017, Qaggiavuut worked with the renowned Toronto based Diamond Schmitt Architects (DSA) to produce a conceptual design for the proposed Performing Arts Centre in the City of Iqaluit. DSA travelled to Iqaluit to consult with Qaggiavuut and its partners about their space requirements, operational and cultural aspects that will finally inform the design. DSA produced schematic floor plans complete with a breakdown of space requirements. It also provided details on the visual appearance of the proposed facility. DSA envisions Qaggiq as a building that will not only embody the vision of Qaggiavuut but also be a symbol of responsible development and lead energy sustainability in Arctic architecture. As an organization that fully understands and appreciates the greater purpose of building a Performing Arts Centre, DSA provided these services gratis.

### 3.2 Space Requirements

Qaggiavuut worked with Diamond Schmitt architects to create a schematic design which included a high level functional program, floor plans, and three-dimensional renderings of the proposed facility. The space program and floor plans were reviewed by Colliers and Qaggiavuut in conjunction with the tentative annual operating program to validate the space definitions. It was understood during the review that the Kitchen

space could be used for culinary training in association with local educational and cultural institutions. Inuit culinary traditions are an integral part of their culture; having a functional traditional kitchen that can teach youngsters its culinary history and skills will add meaning and value to the idea of Qaggiq. Similarly, Qaggiavuut identified the need to have a residential space within the Qaggiq. This will allow the visiting school and college students, and senior artists to live, dine and learn immersed in their traditional setting. Living quarters are assumed to be located above the green rooms and other support spaces associated with the large theatre. The gross area of these spaces is approx. 475 sq. m., which is sufficient to accommodate a dormitory of 25 to 30 (bunk) beds, 5 guest bedrooms (double occupancy) and a common lounge. Shared multiple washrooms for the occupants of the dormitory could be positioned above the washrooms in the ground floor.

The table below provides a tentative breakdown of the space program as measured from the conceptual drawings prepared by Diamond Schmitt Architects. Purpose of measuring the drawings was to understand the ratio of performing spaces and spaces capable of generating revenue in relation to common support spaces.

**Table 4: Space Requirements by Room**

Spaces	Area (sq. m.)	Revenue Potential
<b>Performing Spaces</b>		
Atrium (Exhibition Space)	680	Y
Open Stepped Forum (Within Atrium)	0	Y
Ensemble Room	150	Y
Rehearsal Room	285	Y
Main Auditorium	695	Y
Green Room/Dress/Workshop	380	
<b>Sub-total</b>	<b>2,190</b>	
<b>Support Spaces</b>		
Café (Within Atrium)		Y
Kitchen	45	
Public Washrooms		
Male	30	
Female	30	
Parka Room	10	
Offices	100	
General Support Spaces/Common Areas	485	
<b>Sub-total</b>	<b>700</b>	
<b>Additional Requirements</b>		
Expanded Kitchen (For Teaching)	100	Y
<b>Residential Spaces</b>		
Dormitory	100	Y
Private Rooms	110	Y
Residential Common Areas (Lounge, Pantry, Laundry etc.)	265	
<b>Sub-total</b>	<b>575</b>	
<b>Total</b>	<b>3,465</b>	

### 3.3 Operational Programming

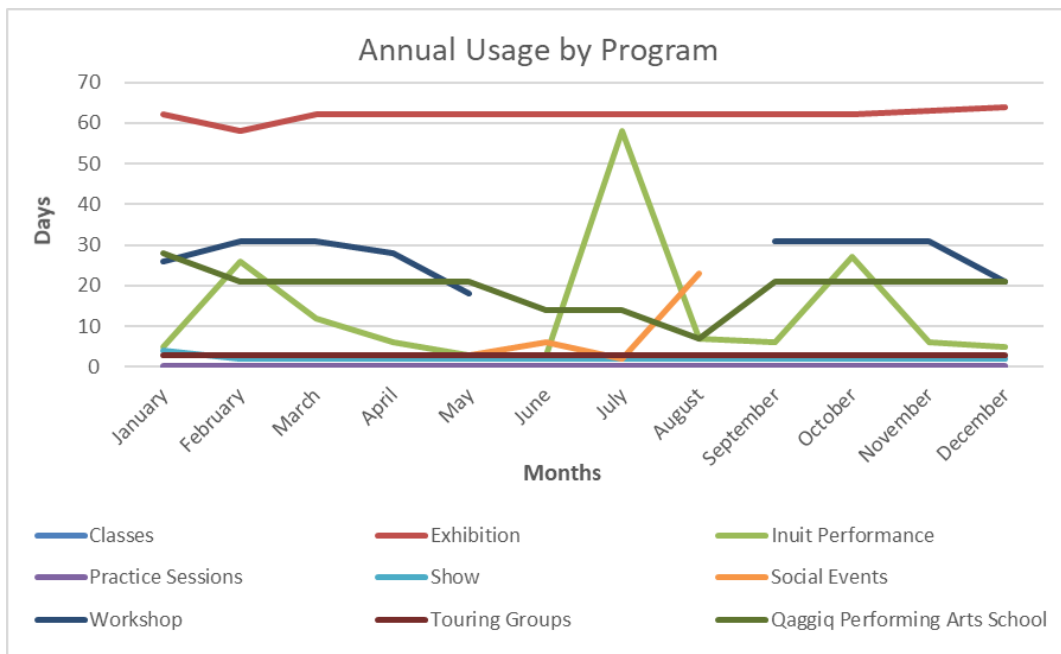
To estimate the potential utilization, operating expenses and revenues of the proposed Qaggiq, it was imperative that Qaggiavuut develop a tentative annual operating program. The operating program identified the type of events that will be hosted at Qaggiq in a year and how many days each performing and cultural learning space such as the large theatre, learning/rehearsal rooms, ensemble room etc. will be booked for these events. It also took into consideration the type of organization that booked the space, i.e. whether it was Qaggiavuut itself, another non-profit organization, educational or governmental institutions or commercial for-profit entities.

Depending on the type of organization, Qaggiavuut also outlined a fee structure to charge organizations that leased performing spaces at Qaggiq. During the analysis of utilization of various spaces envisioned at Qaggiq, Qaggiavuut highlighted the need for such spaces to have the flexibility to accommodate multiple users at the same time and increase the potential for multiple revenue streams. The more events are hosted at Qaggiq, the more alive and popular as a community hub it will be. As high levels of activity are always desirable and critical for the feasibility of such facilities, care should be taken so that the building planning is informed by operating program to ensure that uses and user groups do not interfere with one another, facilitating hosting multiple activities and simultaneous use of performance spaces effortlessly.

The strength of a facility like Qaggiq lies in its versatility of programming. Qaggiq plans to host a variety of groups and showcase different type of performing art forms and cultural learning activities. It is assumed that all the elements of programming envisioned for Qaggiq will develop at a varying pace and there will be seasonal peaks and valleys of demand. Planning for and managing these forces will be the most decisive factor in the success of Qaggiq in the long run.

Detailed operating program developed by Qaggiavuut for this analysis is provided below in Appendix A.

**Table 5: Operational Programming – Annual Usage by Program**



## 3.4 Operating Revenue

The operational program identified two primary revenue sources – rents received from short term rental of performing spaces, food and beverages charges, and rental revenue from short term rental of residential spaces (dormitories and guestrooms). Performing spaces will be rented by user groups on a daily or hourly basis. Qaggiavuut has provided information as to how the charges will vary for operating a school for performing arts, performing space rentals, accommodation rentals and food and beverages based on the nature of the organization, for e.g. whether it is a for profit, non profit or a school. Based on the proposed programming the operating revenue will be able to cover up to approx. two thirds of the estimated operating expenses.

## 3.5 Cost Analysis

### 3.5.1 Capital Costs

Establishing realistic pre-tender estimates is a daunting task irrespective of the nature of the project. Every construction project is unique even though they may appear to be similar. Circumstances such as varying site conditions, timeframe, and availability of labour etc. can create significant variations in cost estimates. In general, a cost estimate can always be considered as a function of a market-specific and time-sensitive database of construction costs. While there are many cost indices available, they are only useful in establishing an approximate range, and not an overall estimate that is within +/-5%. A construction cost estimate is a composite of many individual items and considerations, including construction techniques, productivity factors, specifications, scheduling etc., all of which play crucial roles in arriving at the final cost.

To estimate construction costs for the purposes of this analysis, a Class D building construction cost estimate was developed. Class D estimates are high level estimates based on the project scope and function and are usually presented in a unit/elemental cost analysis format i.e. a monetary rate applied to an element, sub-element or component per unit of measurement, such as cost per square metre. The Class D building construction cost was used to work out the pre-construction cost such as architectural and engineering consultant's fee, development charges etc. In this section we have provided details of construction costs and certain other cost elements and the assumptions pertaining to those estimates. Construction costs are broadly classified into two categories: hard costs and soft costs (pre-construction cost). This classification helps to gain a better understanding of all items of works that make up the project budget.

Our investigations revealed that the construction cost premium in Iqaluit is to the order of 2.4 times the cost of constructing a similar facility in the GTA. The GTA being the largest commercial zone in the country offers one of the most competitive construction costs. For the purposes of this study the proposed facility is assumed to be situated on a flat rectangular site with utilities/services available.

#### 3.5.1.1 Hard Costs

Hard costs are those cost components that are tangible and associated directly with the construction of the physical structure of the building and any equipment permanently fixed to it. This includes substructure, super structure, building envelope, mechanical, electrical and plumbing installations. In addition to the physical structure Hard costs also include, the cost of site civil works, servicing, parking, landscape etc. All labour and materials required for construction are included in hard costs. Furniture, Fittings and Equipment (FF&E) are generally not included under the grouping of hard costs components as these items are not

permanently fixed to the structure. The table below provides a breakdown of the hard costs estimated for the proposed Qaggiq.

**Table 6: Estimated Hard Costs**

Hard Costs	Cost Distribution (% of Total Project Cost)	Cost
<b>Construction - Site Works</b>		
Parking		
Surface Parking	3.4%	2,160,000
Covered Above Ground	0%	0
Covered Under Ground	0%	0
Landscape	0.2%	144,000
Site Works/Serviceing	2.4%	1,512,000
<b>Sub-total</b>	<b>6.0%</b>	<b>3,816,000</b>
<b>Construction - Building</b>		
Substructure	2.1%	1,354,326
Structure	7.8%	4,965,864
Exterior Enclosure	8.9%	5,643,027
Partitions & Doors	6.0%	3,837,258
Finishes	5.3%	3,385,816
Fittings & Equipment	3.9%	2,482,932
Mechanical	19.2%	12,188,938
Electrical	10.7%	6,771,632
General Conditions & Allowances	7.1%	4,514,422
<b>Sub-total</b>	<b>71.0%</b>	<b>45,144,215</b>
Construction Contingency	2.8%	1,805,769
Escalation	2.2%	1,354,326
<b>Total</b>	<b>5.0%</b>	<b>3,160,095</b>
<b>Total Hard Costs</b>	<b>76.0%</b>	<b>48,304,310</b>
<b>FFE Costs</b>		
FFE Specification & Procurement Management	0.1%	36,000
FFE (Material & Labour Cost)	1.9%	1,200,000
<b>Total</b>	<b>2.0%</b>	<b>1,236,000</b>

### 3.5.1.2 Soft Costs

Soft costs are any costs that are not considered direct construction costs; i.e. cost elements that are not directly related to labor and physical building materials. It includes architectural, engineering, and specialist consultant's fees, legal fees, permits, insurance etc. The table below provides a breakdown of soft costs estimated for the proposed facility.



**Table 7: Estimated Soft Costs**

Soft Costs	Cost Distribution (% of Total Project Cost)	Cost
Architect	6.2%	3,909,023
Civil Engineering	1.0%	651,504
Structural	1.2%	781,805
Mechanical Consulting	1.2%	781,805
Electrical Consulting	1.0%	651,504
Communications Engineering	0.2%	130,301
LEED Certification	0.04%	26,060
Functional Consultant	0.00%	0
Geotechnical Consultant	0.1%	78,180
Environmental Testing Services	0.1%	65,150
Building Envelope	0.1%	52,120
Fires Safety Plan	0.1%	52,120
Landscaping	0.1%	52,120
Food Services Consultant	0.1%	52,120
Signage	0.04%	26,060
Material Testing	0.04%	26,060
Security Consultant	0.04%	26,060
Cost Consultant	0.04%	26,060
Code Consultant	0.04%	26,060
Commissioning Consultant	0.04%	26,060
Consultant Contingency	0.8%	521,203
Project Management Fees	0.8%	521,203
Building Permit Fees	0.1%	36,484
Development Charges	0.00%	0
Insurance & Bonding	2.50%	1,563,609
Surveys	0.10%	52,120
Accounting	0.10%	39,090
Legal	0.10%	52,120
Other Indirect Costs	0.10%	52,120
<b>Total</b>	<b>16.28%</b>	<b>10,278,121</b>

### 3.5.2 Operating Expenses

Operating expenses are those costs that are incurred by an organisation as a result of performing its normal operations, in this case the annual cost to operate Qaggiq. This includes the wages of personnel and facility operating costs.

Operating expense information were gathered from a variety of sources including previous projects managed by Colliers and those available in the public domain. The operating expenses estimate took into

consideration the wages and benefits paid to full-time staff, part-time staff and event-based personnel, administration costs and building related expenses that include insurance, taxes, repair and maintenance, utilities and property management expenses. The wages and benefits paid to full-time staff had the highest ratio to the overall annual operating cost, followed closely by wages to event-based labour and building operating expenses.

**Table 8: Estimated Operating Expenses**

Item	Operating Expenses
<b>Wages &amp; Benefits</b>	
Full-time Personnel	1,310,000
Part-time Personnel	170,000
Event-based Labor	788,200
<b>Direct Costs of Live/Film Presenting</b>	205,000
Ticket Office	292,000
Administration	230,000
<b>Building Expenses</b>	
Insurance	35,000
Taxes	0
Repair & Maintenance	175,000
Utilities	250,000
Supplies, Service Contracts, Other	340,000
<b>Total</b>	<b>3,795,200</b>

### 3.6 Funding Sources

Qaggiavuut has taken care to ensure that the programming of activities at Qaggiq will generate sufficient “earned” revenue to offset half to two thirds of the estimated operating expenses. Based on our research this could vary significantly depending on the feasibility of planned activities. To cover the remaining portions of the operating expenses Qaggiavuut will need to explore other sources of funds. Currently Qaggiavuut’s costs are funded by these “contributed” revenue streams available through various levels of government, philanthropic support, private sector and donations.

Qaggiavuut is a mission-driven organization that has successfully oriented its operating model towards public service, cultural development and education. As a non-profit organization, its operations are relatively transparent, which allows for greater public accountability, and as a result it has significant community impact, and support from art circles. This allows it to have a strong fundraising infrastructure, which can reduce reliance on earned revenue and provide greater curatorial flexibility; this flexibility can ultimately benefit the quality and availability of arts programs in the community.

One of the disadvantages is the uncertainties of contributed income. As a non-profit it must compete each year with a range of similar organizations for the same pool of funds. With fluctuations in the economy and potential changes in the policies of governments, it is imperative that Qaggiavuut take the following strategic measures to ensure continuity of funds:

- Create many partnerships within governmental and non-governmental agencies, and the corporate sector to enhance goodwill towards the project.
- Apply for Core Funding to the Government of Nunavut and Canada Council for the Arts
- Work with the Government of Nunavut and territorial Minister of Culture, Language and Heritage and Education and the Minister of Economic Development and Transportation to create awareness

about the value that Qaggiq will add to the development of Inuit performing arts and how it will further the cause of empowering Inuit youth.

- Work with the National Indigenous Caucus to garner support for the Qaggiq project federally.
- Explore federal programs available for funding similar cultural initiatives. E.g. Creative Canada, Canada Council for the Arts, CanNor, INAC etc.
- Create a strategic plan for annual fundraising drives that will also help position Qaggiq as an integral part of Inuit culture.
- Partner with other post secondary institutions delivering performing arts training including the National Theatre School of Canada, the Banff Centre and the Greenland Theatre School.
- Engage in partnerships with the Private Sector.
- Expand philanthropic funding partnerships.

## 4.0 Findings

For Qaggiavuut one of the key purposes of the business plan is to understand the order of magnitude costs of developing and operating Qaggiq. Currently Qaggiavuut operates out of its small office space and delivers its annual programming through various venues across the territory through short term rental arrangements. The current operating expenses are funded through a variety of sources that involve government and non-government sources. The majority of Qaggiavuut's operating funding is received from philanthropic sources, Inuit organizations, the Federal Government, (mainly CANNOR and Canada Council for the Arts) and the Government of Nunavut.

**Table 9: Breakdown of Existing Funding**

Qaggiavuut Funding	2016-2018	2018-19 projected
Arctic Inspiration Prize	600,000	0
Other Philanthropic	50,000	500,000
Inuit Organizations	500,000	250,000
Government of Canada	550,000	1,000,000
Government of Nunavut	200,000	300,000
Private Sector	50,000	100,000
	<b>1,950,000</b>	<b>2,150,000</b>

The breakdown of funding provided above is a tentative estimate based on the current expenses. As Qaggiavuut starts to operate from Qaggiq, the operating expenses will be higher, and the ratio of funding received from the sources mentioned above could vary. An order of magnitude estimate of the upfront capital costs, operating expenses, capital expenditure and potential funding that could be obtained from various sources is provided below:

**Table 10: Summary of Findings – Cost and Funding**

	Upfront Capital	Operating Expenses	Capital Expenditure
<b>Costs Incurred</b>	63,600,000	3,700,000	
<b>Earned Revenue</b>		2,400,000	
<b>Deficit to be Funded</b>		1,300,000	636,000
<b>Potential Funding Sources:</b>			
City of Iqaluit	0	50,000.	0
Govt. of Nunavut (Dept of Education, ED&T, Culture, Health)	5,000,000	250,000	63,600
Creative Canada: Department of Culture & Heritage (Canada)	44,520,000	0	190,800
Canadian Arts Training Fund (Canada)	0	500,000	0
Canada Council for the Arts: Core & Project Funding	0	400,000	0
Indigenous and Northern Affairs Canada (INAC, Federal Govt.)	5,000,000	50,000	318,000
CANNOR	500,000.	150,000	0

Philanthropic Sector	2,500,000	50,000	0
Private Sector Sponsors	2,500,000	50,000	0
Inuit Organizations	2,500,000	50,000	0
Donations	1,080,000	50,000	0
Reserve	0	0	64,000
<b>Total Funding</b>	<b>63,600,000</b>	<b>1,600,000</b>	<b>636,400</b>

*All figures above have been rounded to the nearest 100,000. Annual capital expenditure is estimated as 1.0% of the construction cost of the facility. A new facility may not incur any significant capital expenditure until after the first 15-year period. Qaggiq could set aside a specific amount (approx. up to 0.1% of the estimated 1.0%) annually as a reserve to plan for the capital replacement costs towards the end of this period. In addition to that the table also provides an indication of the potential sources through which the estimated capital expenditure could be funded, in the absence of a reserve fund.*

## 4.1 Qualitative Analysis

Being the largest urban centre in Nunavut, Iqaluit positions itself as the main cultural destination of Nunavut. Qaggiavuut has played an important role in nurturing Inuit performing arts in the City and the territory and promoting Inuit identity. Considering that Iqaluit has an Inuit population that is approx. 60% and that Nunavut has an Inuit population of approx. 80%, the territory should promote the Inuit arts within its tourism literature, and aid towards the development of authentic tourism products associated with Inuit culture, in co-operation with organizations like Qaggiavuut. In this context, it is only natural that a facility like Qaggiq is more relevant to the community and addresses the needs of its socio-cultural objectives.

Cultural assets like Qaggiq could play a key role in Iqaluit's future development, strengthening the city's position as the circumpolar capital for Inuit cultural knowledge, creative entrepreneurship, and innovation which normally makes way for more commercial opportunities with a greater local participation. Such a strategy depends on the presence, growth and continued support of creative workers, and later creative industries, including those from the non-profit arts sector. A strong cultural centre like Qaggiq in a vibrant downtown setting is of paramount importance to create the conditions that can attract investment, ideas and talent which will eventually nurture, support and retain businesses and population in the City.

This strategy will require positioning arts and culture as one of its high value industries and making a series of investments, including promoting the importance of arts and culture as an economic driver, and advocating for improved cultural awareness locally and nationally. Qaggiavuut believes that the Qaggiq will help the City towards:

- Building a vibrant community and developing a sense of shared identity
- Building tolerance of ideas and differences
- Promoting community cohesion
- Being a place for the community to interact and engage
- Being a place that enriches the quality of life
- Its citizens achieving the highest form of human expression

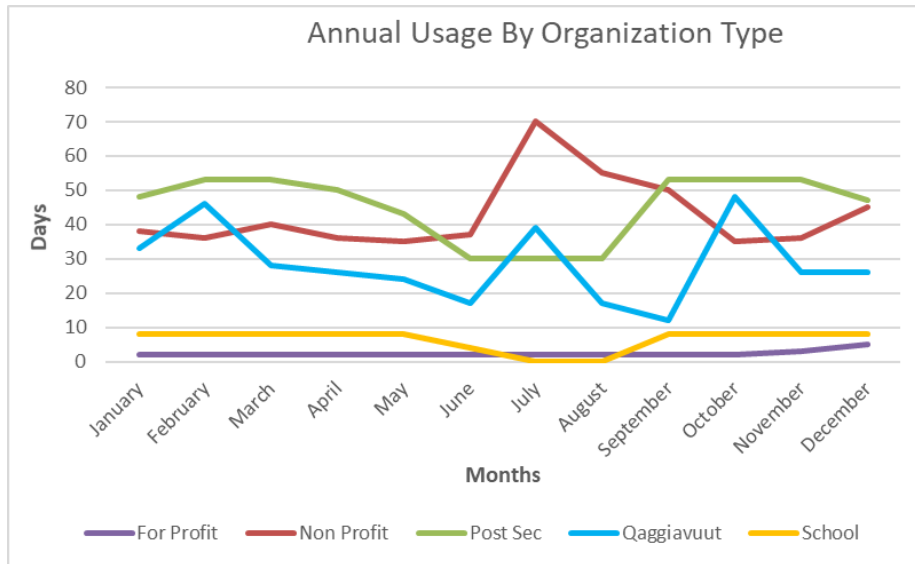
## 4.2 Quantitative Analysis

One of the key elements of this business plan was the creation of a spreadsheet model to develop the operating program and operating budget for proposed Performing Arts Centre. The key step in developing the model has been identifying activities for a typical year and how the facility will be utilized to deliver Performing Arts programming through a mixture of skill training sessions, performances, shows and public events using the proposed physical space components of Qaggiq. While the resulting program of events is not an exact forecast of activity, it does provide a basis for understanding utilization, projecting earned operating revenues, expenses and overall feasibility.

The model developed is structured as some dynamic pro-forma, that can be adjusted based on changing inputs and assumptions. It is a tool to plan and develop a comprehensive operating program for Qaggiq. Our assumptions on activities and financial performance are based on discussions with Qaggiavuut on their current operational programming, review of operating data of similar facilities across Canada and Colliers' in-house experience in managing similar projects in the past. Utilizing these resources, we were able to estimate demand for facilities, marketability of the facility and performances in Iqaluit.

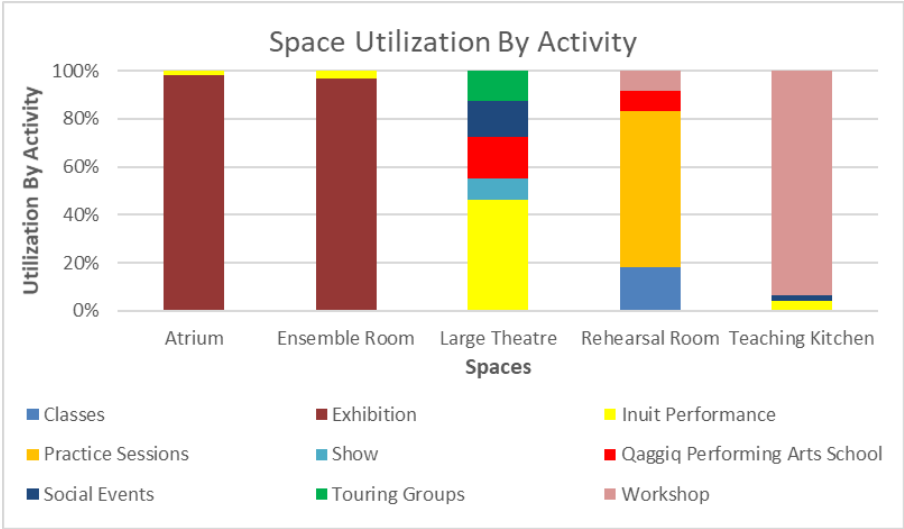
Following graphs illustrate the results of the analysis performed using the model mentioned above.

**Graph 1: Annual Usage by Organization Type**



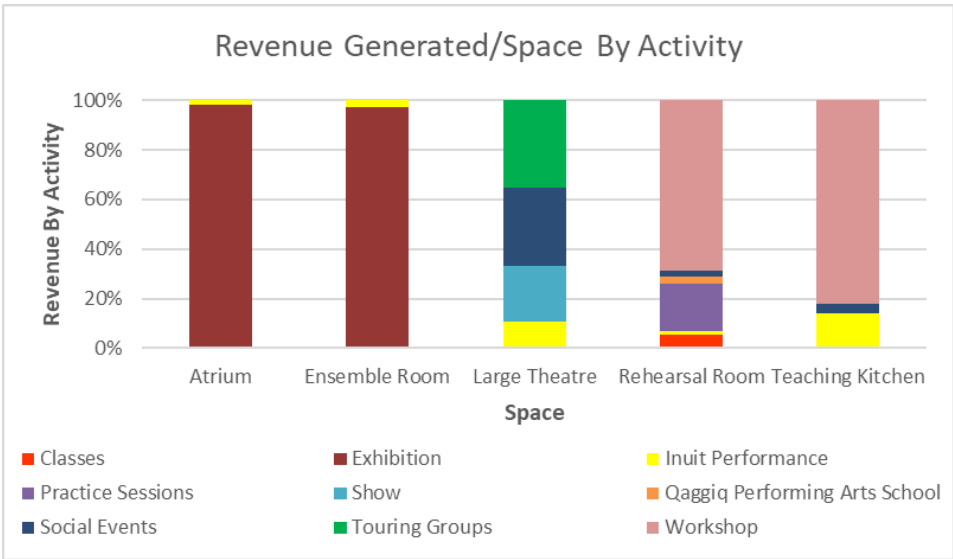
For the purposes of this analysis potential users of Qaggiq were grouped as Qaggiavuut, For-profit (commercial corporations, local businesses), Non-profit (governmental and non-governmental organizations), Post Secondary institutions (Post. Sec.) and schools. The graph above plots the estimated utilization of Qaggiq by various user groups in a typical year.

**Graph 2: Space Utilization by Activity**



The graph above draws from the space allocation/utilization according to the operating program. The large theatre hosts a variety of activities, followed by the rehearsal room. The former is used primarily for events (performances) whereas the latter is used for both events and preps. The atrium space is almost exclusively used for exhibition and sales (Hunter’s & Artisan’s market). The Kitchen in the original schematic plan was to be used as a pantry for minor cooking, storing and dispensing food. Qaggiavuut has identified a need to train future generations in Inuit culinary arts. Therefore, Qaggiavuut has proposed the expansion of the Kitchen to accommodate Inuit culinary arts training in partnership with the local post secondary institutions. The Kitchen will also be leased out to organizers of major events (Alianait Festival, local social events).

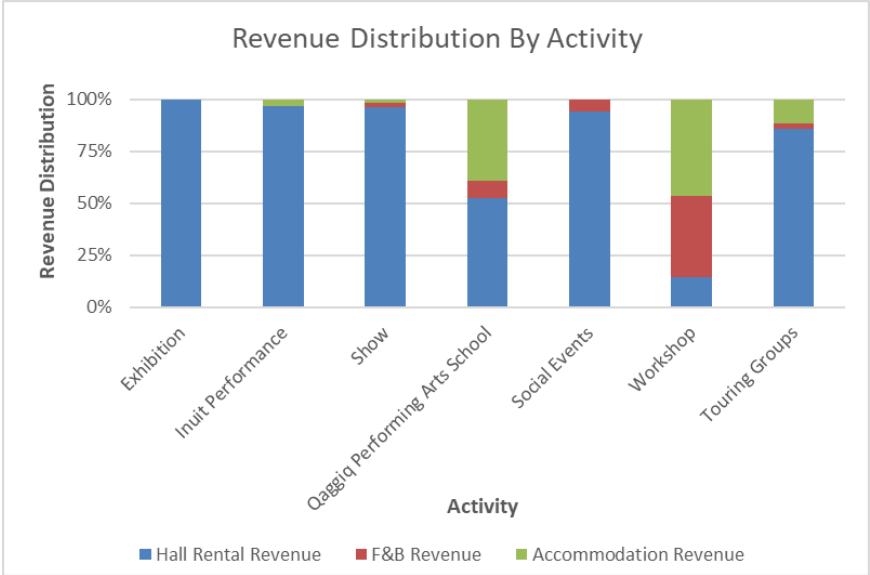
**Graph 3: Breakdown of Revenue Generated by Space and by Activity**



The graph above provides a breakdown of revenue generated through the key spaces of the proposed Performing Arts Centre. Graph 2 shows that the large theatre is used primarily for Inuit performance, but the large theatre generates most of its revenue during the time it is used by touring groups, or for social events and commercial shows. This is because Inuit performances are conducted by Qaggiavuut. This is

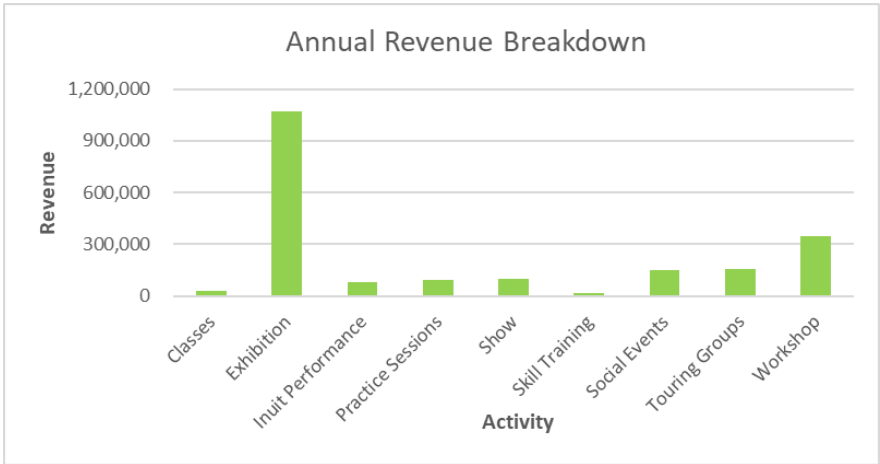
similar to the high utilization of rehearsal room for practice sessions by Qaggiavut and the high revenue generated while the same space is rented to external entities such as post-sec for conducting workshops, practice sessions etc.

**Graph 4: Breakdown of Revenue Generated by Activity**



The graph above provides a breakdown of the revenue sources by various activities. All activities except for Qaggiq Performing Arts School (Skill Training) and Workshops, generate revenue mostly through space rental revenue. Skill Training and Workshops are conducted by Qaggiavut and Non-profit organizations and require participants to reside at Qaggiq. This results in revenue generation through three sources – hall rental revenue (not applicable to activities conducted by Qaggiavut), F&B charges and room rents (dormitory beds for students and private rooms for artists)

**Graph 5: Breakdown of Annual Revenue by Activity**



The activity that generates the highest revenue is Exhibitions as it is scheduled to run all year. This is followed by Workshops that are conducted during the academic year.



## 5.0 Conclusion and Next Steps

As a pilot project in the performing arts sphere in Iqaluit, the analysis of Qaggiavuut's vision, its physical concept as well as programming has revealed that there is a strong case to be made for this type of an endeavor. The study revealed that the upfront capital costs of developing the facility is going to be significant owing to the location of Iqaluit. The cost of construction in Iqaluit was observed to be more than twice as that in Greater Toronto Area, which is often considered a benchmark to compare construction costs. Operating expenses also have been found to be higher, but this is an item that is slightly more challenging to estimate given the variety of factors that need to be taken into consideration. Operating expense is a function of the operating program, cost of human resource and building operating cost. However, the operating deficit (net of revenue and expenses) isn't significantly higher than a similar facility located elsewhere in Canada. If Qaggiq performs according to the tentative programming, the operating revenue will cover up to two thirds of the operating expenses, which is line with many similar facilities.

Often the challenge with operating such facilities is that there could be significant variation of actual programming in comparison to the plan. Considering Qaggiavuut's experience with planning and managing the programming over the years, it is not expected to vary significantly from the plan. This is also because Qaggiq's programming will be heavily weighted towards programs that ensure regular annual cashflow such as educational programs and exhibitions related to Inuit performing arts as opposed to depending on revenue through external entities hosting performing art shows. Majority of these educational programs are ongoing and are already funded. The rest will be conducted in partnership with local schools and post-secondary institutions as per a long-term agreement and confirmed sources of funding. This project would fulfil a variety of secondary objectives from a variety of perspectives in addition to the financial feasibility, which includes public engagement and the linkages that can be made between arts and well-being, Inuit language retention, cultural learning, reducing risk among youth, community vitality, etc.

Even though the purpose of this study is not to measure the benefits of engagement with the arts, it has come across various instances where the local community as well as businesses can benefit positively from it. Iqaluit's arts and cultural sector is growing with efforts of organizations like Qaggiavuut. Attendance at performing arts events have been increasing and there is significant evidence that Iqaluit's residents not only have a growing appetite for arts and culture but that there remains untapped potential for audience growth across Canada and the world. Qaggiavuut's initiatives as well as research by other similar organizations have highlighted a wide variety of personal and community benefits due to the impact of arts engagement. Qaggiavuut had conducted preliminary exploratory work in establishing the benefits of art in maintaining enhanced personal well-being, improvements because of arts education programs, and its subsequent impact on community vitality, etc. It is now a question of bringing these lessons learned to the table and determining what is most useful for assessing a specific investment in performing arts. This approach would also help advance the case for enhanced business investment in the arts by demonstrating the impact of the arts in the community.

### 5.1 Next Steps

The next steps in this process will involve initiating deeper and more refined stages of planning and obtaining feedback from the various levels of the government and its arms that promote art and culture. Qaggiavuut has already initiated the latter and have been actively exploring potential partnerships. Now with this business plan providing a clearer perspective on Qaggiq's capital needs and operating financials, the pursuit can be more targeted. This business plan can also be used to build awareness and explore partnerships with local businesses both small and large, to work with Qaggiq. As Qaggiq will be designed

as a versatile space that can be used for a multitude of activities, it will be of interest to businesses in organizing business events, trade shows or even using the space for cultural orientation for their employees. The table below lays out the potential next steps in two timeframes - zero to six months and six to eighteen months.

This business plan looks at Qaggiq’s functional feasibility, i.e. how well it can perform as an operational entity; it does not analyze empirically the socio-economic benefit Qaggiq would bring to the territory. Even though Qaggiavuut’s effort has borne fruit in bringing about cultural cohesion and positive identification of the community with its cultural roots, it would be helpful to see how the development of arts impacts social participation, job creation, diversification of economic base, value addition to existing urban neighbourhoods, increased taxation etc. Once the socio-economic impact is established, it should be followed through by a site selection analysis. The location of the facility is as important as its physical and socio-economic feasibility, in fact it can be a determining factor in its future performance in these areas and overall success of the project. It is therefore recommended that the next important step to substantiate its case as a valuable addition to the City’s cultural assets would be a study investigating its net socio-economic impact.

**Table 11: Next Steps**

Timeframe	0 to 9 months			6 to 18 months	
<b>Activity</b>	Socio-Economic Impact Assessment	Site Selection Analysis	Explore public-private partnerships; Appoint Project Manager; Conduct Procurement Analysis	Design Development, Statutory Approvals, Contract Documents,	Award of Construction Contract
<b>Participants</b>	Consultants, Qaggiavuut	Consultants, Qaggiavuut	Consultants, Qaggiavuut, Government Entities, Local Businesses, International Corporations	Consultants, Qaggiavuut	Consultants, Construction Contractor, Qaggiavuut

## Appendix 1 OPERATING PROGRAM

Table 12: Operating Program

Program	User	Month	Space Used	Use Type	Duration of Use	Rent Charged Per
School Children & Youth	School	September	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	October	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	November	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	December	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	January	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	February	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	March	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	April	Rehearsal Room	Prep	8 Day	
School Children & Youth	School	May	Rehearsal Room	Prep	8 Day	
Inuit Performance	Qaggiavuut	September	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	October	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	November	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	December	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	January	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	February	Large Theatre	Event	5 Day	
Inuit Performance	Non-Profit	March	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	April	Large Theatre	Event	5 Day	
Inuit Performance	Qaggiavuut	May	Large Theatre	Event	3 Day	
Inuit Performance	Qaggiavuut	June	Large Theatre	Event	3 Day	
Inuit Performance	Qaggiavuut	July	Large Theatre	Event	3 Day	
Alianait Festival	Non-Profit	July	Large Theatre	Event	7 Day	
Alianait Festival	Non-Profit	July	Rehearsal Room	Event	7 Day	
Alianait Festival	Non-Profit	July	Ensemble Room	Event	7 Day	
Alianait Festival	Non-Profit	July	Atrium	Event	7 Day	
Alianait Festival	Non-Profit	July	Teaching Kitchen	Event	7 Day	
Alianait Concert	Non-Profit	September	Ensemble Room	Event	1 Day	
Alianait Concert	Non-Profit	November	Ensemble Room	Event	1 Day	
Alianait Concert	Non-Profit	February	Ensemble Room	Event	1 Day	
Alianait Concert	Non-Profit	April	Ensemble Room	Event	1 Day	
Comedy Performance	Non-Profit	September	Large Theatre	Event	1 Day	
Comedy Performance	Non-Profit	October	Large Theatre	Event	1 Day	
Comedy Performance	Non-Profit	November	Large Theatre	Event	1 Day	
Comedy Performance	Non-Profit	December	Large Theatre	Event	1 Day	
Comedy Performance	Non-Profit	January	Large Theatre	Event	3 Day	
Comedy Performance	Non-Profit	February	Large Theatre	Event	1 Day	

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Comedy Performance	Non-Profit	March	Large Theatre	Event	1	Day
Comedy Performance	Non-Profit	April	Large Theatre	Event	1	Day
Comedy Performance	Non-Profit	May	Large Theatre	Event	1	Day
Comedy Performance	Non-Profit	June	Large Theatre	Event	1	Day
Comedy Performance	Non-Profit	July	Large Theatre	Event	1	Day
Comedy Performance	Non-Profit	August	Large Theatre	Event	1	Day
Touring Group Performance	Non-Profit	September	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	October	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	November	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	December	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	January	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	February	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	March	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	April	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	May	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	June	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	July	Large Theatre	Event	3	Day
Touring Group Performance	Non-Profit	August	Large Theatre	Event	3	Day
Qaggiq Performing Arts School	Non-Profit	September	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	October	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	November	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	December	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	January	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	February	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	March	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	April	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	May	Rehearsal Room	Prep	14	Day
Qaggiq Performing Arts School	Qaggiavuut	June	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	July	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	September	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	October	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	November	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	December	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	January	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	February	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	March	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	April	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	May	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	June	Large Theatre	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	July	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	August	Rehearsal Room	Prep	7	Day
Qaggiq Performing Arts School	Qaggiavuut	January	Large Theatre	Event	7	Day

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College Inuit Culture	Post Sec	September	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	October	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	November	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	December	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	January	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	February	Rehearsal Room	Prep	3	Day
College Inuit Culture	Post Sec	March	Rehearsal Room	Prep	3	Day
College: Culinary Arts Program	Post Sec	September	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	October	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	November	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	December	Teaching Kitchen	Prep	10	Day
College: Culinary Arts Program	Post Sec	January	Teaching Kitchen	Prep	15	Day
College: Culinary Arts Program	Post Sec	February	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	March	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	April	Teaching Kitchen	Prep	20	Day
College: Culinary Arts Program	Post Sec	May	Teaching Kitchen	Event	10	Day
College Convocation: May 25-28 week	Post Sec	May	Rehearsal Room	Event	1	Day
Concerts: Rock Concert for College graduates	Post Sec	May	Large Theatre	Event	2	Day
School programs end - final concert	School	June	Teaching Kitchen	Event	4	Day
Aboriginal Day Concert: June 21	Non-Profit	June	Rehearsal Room	Event	2	Day
Canada Day Concert: July 1	Qaggiavuut	July	Large Theatre	Event	2	Day
Children/Youth summer camps in performing arts (youth ages 7-12) 30	Non-Profit	August	Large Theatre	Event	20	Day
Children's Festival	Qaggiavuut	August	Large Theatre	Event	3	Day
School Christmas Concerts: December	Post Sec	December	Large Theatre	Event	4	Day
Christmas Games & Concerts: December 20-24	Non-Profit	December	Large Theatre	Event	5	Day
Christmas Games & Concerts: December 20-24	Non-Profit	December	Large Theatre	Event	5	Day
New Year's Gala: December 31	For Profit	December	Large Theatre	Event	1	Day
New Year's Day Community Feast: January 1	Non-Profit	January	Large Theatre	Event	1	Day
Theatre Rehearsal: Previous Work	Qaggiavuut	October	Large Theatre	Prep	15	Day
Theatre Performance: Previous Work	Qaggiavuut	October	Large Theatre	Event	7	Day
Theatre Development: New Work	Qaggiavuut	July	Large Theatre	Prep	20	Day
Theatre Performance: New Work	Qaggiavuut	August	Large Theatre	Event	7	Day
Theatre Collaboration: Circumpolar	Qaggiavuut	February	Large Theatre	Prep	20	Day
Theatre Performance: Circumpolar	Qaggiavuut	March	Large Theatre	Event	7	Day
Musicians Rehearsal Cooperative	Non-Profit	September	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	October	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	November	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	December	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	January	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	February	Rehearsal Room	Prep	120	Hour

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Musicians Rehearsal Cooperative	Non-Profit	March	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	April	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	May	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	June	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	July	Rehearsal Room	Prep	120	Hour
Musicians Rehearsal Cooperative	Non-Profit	August	Rehearsal Room	Prep	120	Hour
Music Lessons	For Profit	September	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	October	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	November	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	December	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	January	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	February	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	March	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	April	Rehearsal Room	Prep	44	Hour
Music Lessons	For Profit	May	Rehearsal Room	Prep	44	Hour
Art Exhibit	Non-Profit	September	Atrium	Event	30	Day
Art Exhibit	Non-Profit	October	Atrium	Event	30	Day
Art Exhibit	Non-Profit	November	Atrium	Event	30	Day
Art Exhibit	Non-Profit	December	Atrium	Event	30	Day
Art Exhibit	Non-Profit	January	Atrium	Event	30	Day
Art Exhibit	Non-Profit	February	Atrium	Event	28	Day
Art Exhibit	Non-Profit	March	Atrium	Event	30	Day
Art Exhibit	Non-Profit	April	Atrium	Event	30	Day
Art Exhibit	Non-Profit	May	Atrium	Event	30	Day
Art Exhibit	Non-Profit	June	Atrium	Event	30	Day
Art Exhibit	Non-Profit	July	Atrium	Event	30	Day
Art Exhibit	Non-Profit	August	Atrium	Event	30	Day
Artist Cooperative	Non-Profit	September	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	October	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	November	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	December	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	January	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	February	Rehearsal Room	Prep	13	Hour
Artist Cooperative	Non-Profit	March	Rehearsal Room	Prep	13	Hour
Cultural Artifacts Exhibit and Education	Post Sec	September	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	October	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	November	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	December	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	January	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	February	Ensemble Room	Event	28	Day

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Cultural Artifacts Exhibit and Education	Post Sec	March	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	April	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	May	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	June	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	July	Ensemble Room	Event	30	Day
Cultural Artifacts Exhibit and Education	Post Sec	August	Ensemble Room	Event	30	Day
Concerts: Contemporary Music	Non-Profit	September	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	October	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	November	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	December	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	January	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	February	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	March	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	April	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	May	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	June	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	July	Large Theatre	Event	1	Day
Concerts: Contemporary Music	Non-Profit	August	Large Theatre	Event	1	Day
Hunters & Artisans Market	For Profit	September	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	October	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	November	Atrium	Event	3	Day
Hunters & Artisans Market	For Profit	December	Atrium	Event	4	Day
Hunters & Artisans Market	For Profit	January	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	February	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	March	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	April	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	May	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	June	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	July	Atrium	Event	2	Day
Hunters & Artisans Market	For Profit	August	Atrium	Event	2	Day

## Appendix 2 RENTAL RATES

Figure 1: Potential Rent Per Day

	Potential Rent/Day									
	For Profit		Non Profit		School		Post Sec		Govt	
	Event	Prep	Event	Prep	Event	Prep	Event	Prep	Event	Prep
Large Theatre	4,500	2,250	4,100	2,050	3,800	1,900	3,800	1,900	3,900	1,900
Rehearsal Room	1,200	600	1,100	550	1,000	500	1,000	500	1,000	500
Ensemble Room	600	300	600	300	500	250	500	250	500	250
Atrium	2,800	1,400	2,600	1,300	2,400	1,200	2,400	1,200	2,500	1,200
Teaching Kitchen	200	100	200	100	200	100	200	100	200	100
Open Forum	300	150	200	100	200	100	200	100	200	100

Figure 2: Potential Rent Per Hour

	Potential Rent/Hour									
	For Profit		Non Profit		School		Post Sec		Govt	
	Event	Prep	Event	Prep	Event	Prep	Event	Prep	Event	Prep
Large Theatre	560	280	510	255	480	240	480	240	490	245
Rehearsal Room	150	75	140	70	130	65	130	65	130	65
Ensemble Room	80	40	80	40	60	30	60	30	60	30
Atrium	350	175	330	165	300	150	300	150	310	155
Teaching Kitchen	30	15	30	15	30	15	30	15	30	15
Open Forum	40	20	30	15	30	15	30	15	30	15

Figure 3: Food & Beverages Charges

	Food & Beverages Charges		
	Breakfast	Lunch	Dinner
For Profit	30	35	35
Non Profit	15	30	30
School	15	30	30
Post Sec	15	30	30
Govt	15	30	30



## Appendix 3 OPERATING EXPENSE ESTIMATE

### Operating Expenses

	Per Annum
	<b>3,705,200</b>
<b>Full-time Personnel (Wages, Benefits)</b>	<b>1,270,000</b>
Executive Director	125,000
Manager Administration	90,000
Funding & Development Director	95,000
Artistic Director: Theatre	110,000
Artistic Director: Music	95,000
Education Programming Director	95,000
Communication/Marketing Manager	85,000
Artist Skills Manager	95,000
Technical Director	95,000
Ticket Office Manager	60,000
House Manager	60,000
Food and Beverage Manager	85,000
Benefits	180,000
<b>Part-time Personnel (Wages, Benefits)</b>	<b>155,000</b>
Food and Beverage Staff	60,000
Ticket Office Staff	40,000
Grant Writer	40,000
Benefits	15,000
<b>Event-based Labor (Wages)</b>	<b>788,200</b>
Projectionist	5,200
Stage Hands	
Large Theatre	150,000
Rehearsal Room	50,000
<b>Event Security</b>	
Large Theatre	55,000
Rehearsal Room	15,000
<b>Event Cleaning</b>	
Large Theatre	55,000
Rehearsal Room	15,000
<b>House Staff</b>	
Large Theatre	50,000
Rehearsal Room	10,000
<b>School Children &amp; Youth - Workshop</b>	
Course Cost	5,000

Facilitators	288,000
<b>College Inuit Culture - Workshop</b>	
Course Cost	6,000
Facilitators	84,000
<b>Direct Costs of Live Presenting</b>	<b>140,000</b>
Large Theatre	80,000
Rehearsal Room	60,000
<b>Direct Costs of Film Presenting</b>	<b>65,000</b>
Large Theatre	35,000
Rehearsal Room	30,000
<b>Ticket Office</b>	<b>292,000</b>
Network Maintenance	10,000
Postage	30,000
Ticket Printing	7,000
Supplies	35,000
Credit Card Fees	210,000
<b>Administration</b>	<b>230,000</b>
Institutional Promotion/Advertising	20,000
IT Service	60,000
Printing & Publications	10,000
Office Equipment/Systems	25,000
Office Supplies/Services	15,000
Legal/Accounting	15,000
Volunteer Management	7,500
Professional Development/Conferences	7,500
Travel and Entertainment	5,000
Telephone	10,000
Food Supplies	50,000
Miscellaneous	5,000
<b>Building Expenses</b>	<b>765,000</b>
Utilities	250,000
Repairs and Maintenance	100,000
Service Contracts	75,000
Building Supplies	75,000
Cleaning Supplies	40,000
Technology Services	75,000
Performance Equipment R&M	75,000

Trash Hauling	50,000
Security System	25,000