



HALIFAX REGIONAL
MUNICIPALITY

NOV 11 2020

MUNICIPAL CLERK

Municipal Clerks Office

Date Distributed: February 5, 2021

AFSC, Solicitor

Other: N/A

Tuesday, November 10, 2020

Re: Formal Request to Present to the Community Planning and Economic Development Standing Committee

COVID-19 has had an immediate and unprecedented impact on Neptune Theatre. The 58 year old theatre is looking to the future and seeking support to manage the protracted shutdown of its operations. Neptune is taking steps to mitigate the long term impact of the closure on artists, employees and patrons; developing contingency plans and working with private sector partners to defer expenses, drive revenue and preserve capital in order to reopen.

The theatre would like to formally request support from the Halifax Regional Municipality to navigate the unprecedented challenges caused by COVID-19.

Neptune management met with Mayor Savage and Chief of Staff Shaune MacKinlay on November 3, 2020 to outline the issues facing the theatre. Management was advised to formalize its request by making a presentation to the **Community Planning and Economic Development Standing Committee**. Neptune is respectfully requesting an opportunity to present to CPED at the earliest possible opportunity.

BACKGROUND:

- Neptune responded immediately to provincial recommendations on March 13, 2020 to reduce public gatherings to curb the spread of the coronavirus (COVID-19).
- The theatre cancelled productions, postponed its season-closing musical **Billy Elliot** and its annual fund raiser. Neptune suspended its school tour across Halifax and the province and subsequently postponed the balance of the 2020 2021 season.
- Ticket sales and subscription renewals halted immediately. Revenues are down **94 per cent**, year on year.
- The theatre has found it difficult to manage cash flow due to unexpected costs from the cancellation and postponement of productions and the loss of revenue. The theatre paid more than **\$145,000** in cancellation and postponement fees to artists alone.
- Outstanding tickets for cancelled and postponed productions exceeds **\$650,000**. The theatre has encouraged patrons to retain approximately **\$400,000** in tickets for **Billy Elliot**. Neptune hopes to mount the production in 2021.
- Each spring Neptune announces its next season and opens its season-ending musical, which typically generates 25 to 30 per cent of the theatre's annual earned revenue from ticket sales.

Between March 13 and May 31, 2019 Neptune processed more than **\$1.3 million** in ticket sales, subscription renewals and donations.

- Subscription sales are down **70%** from last year. Revenue from subscriptions are currently **\$183,000**, compared to **\$604,000** in 2019.
- Neptune welcomed a record **105,000** patrons, presented over **400** performances, engaged more than **320** artists, directors, designers and theatre educators and posted a second consecutive surplus in 2019.

Contact: **Lisa Bugden**
 General Manager Neptune Theatre