

14 July 2015



## MMBC Tenancy Timeline and Backgrounder

**Overview:** The Maritime Museum of BC has been operated by a non-profit society since 1957 and has been in the Bastion Square courthouse since 1965. The Province assumed responsibility for providing a location for the MMBC in 1977. The Museum Society has in turn operated the museum to preserve and interpret the maritime heritage of BC.

### Specifics:

- MMBC traces its roots to a naval museum established on DND property outside the dockyard in 1955. It was incorporated under the BC Societies Act in 1957;
- The Canadian Forces Base Esquimalt Naval and Military Museum is a separate organization operated by DND which opened in 1985;
- The City of Victoria used the former courthouse in Bastion Square in 1963-64 while City Hall on Douglas was being renovated and enlarged. On completion occupancy was offered to the Maritime Museum;
- The Museum moved into the courthouse in 1965;
- The City bought the courthouse from the Province on May 4 1966 for \$155,000;
- In 1977 the Province agreed to take responsibility for providing a location for the Museum and to take over the courthouse for \$1. The Victoria City Council passed a resolution on January 27, 1977 which defined its understandings of the impending transfer. One of the clauses reads

*The Province assumes the responsibility for the location of the Maritime Museum whether in the Courthouse building or in another situation.*

- The City drafted an Agreement about the transfer. It included several conditions; one concerns the Museum Society:

*From the date of registration of the conveyance of the said lands Her Majesty agrees to undertake responsibility for providing the Society with suitable premises for housing of the Museum collection, either by permitting it to remain in its present location in the Building, or by offering to the Society other premises on such terms as may be agreed between them.*

- A report in the *Victoria Colonist* on January 29, 1977 on the change of status reflects how it was understood at the time:

***New Lease on Life for the Maritime Museum: Under Provincial Control***

*After having been a political football for years, Victoria's Maritime Museum has been given a new and apparently permanent lease on life. The city of Victoria and the provincial government have reached an agreement which places the museum under provincial control. The agreement calls for transfer of the old courthouse building in Bastion Square, housing the Maritime Museum, from the city to the province for \$ 1. The agreement also states that the province would assume responsibility for the museum, whether in the courthouse or at another location.*

- Land title was changed to provincial ownership under an Order in Council dated March 30, 1978; the actual change of registration was entered on July 11, 1978
- The Province took responsibility for rent and maintenance costs as well as providing operating grants; these were funded under a "Provincial Resource Museum" line in the provincial budget for several years;
- A 1985 "Decision Document" from the Ministry of the Provincial Secretary and Government Services described the status of the relationship between the Province and the Museum Society:

*Responsibility for providing rental and all maintenance costs for the building in which the Maritime Museum resides has been within Provincial Secretary for the past 7 years. ... Under an agreement signed by the Provincial Secretary in 1977,*

*undertook responsibility to provide suitable housing for this organization to house its collection.*

- The Provincial agency responsible for the courthouse—the Museum’s landlord—has moved between Ministries over the years. It is currently Shared Services which is part of the Ministry of Technology, Innovation and Citizens’ Services.(MTICS);
- Between 2000 and 2003 The Ministry of Community, Aboriginal and Women’s Services paid the Museum an annual direct grant to cover the cost of rent;
- Between 2003 and 2007 the Museum Society was charged rent based on “market values”. The Province provided funding to assist the Society during a transition period but the net rent of \$ 75,000 eventually proved too high for the Society;
- In 2011 the Society negotiated a new rent formula based on a percentage of earned revenue. The Province demonstrated good faith by acknowledging that no rent was owed for past years ;
- Shared Services told the Museum in June 2014 that the courthouse was no longer safe for the public and that access to visitors should cease in October. Shared Services promised to help find a new location. They helped identify the unfinished lower level of the former CP Steamship Terminal on the Inner Harbour as an option and opened negotiations with the Greater Victoria Harbour Authority which holds the “Head Lease” on this building from the Provincial government. As the space available in the terminal was smaller than the courthouse Shared Services provided a climate-controlled space in the BC Systems Building at 4000 Seymour St. to store collection items that would not be on display.
- The Provincial government offered to help with the packing and move of the enormous collection of artefacts, document and photographs in the Museum.
- Once the Museum closed in October admissions revenue ceased. Volunteers were trained in packing artefacts and the move of the vast collection began. MTICS agreed in January 2015 to provide \$10,000 monthly to pay core staff involved with

packing and moving the collection. The negotiations about the Steamship Terminal were prolonged. The Museum Society inserted itself in the process in February 2015, producing a modified business plan.

- On June 5, 2015 MTICS announced that negotiations had reached an impasse and were terminated. The announcement went on to say that Shared Services would not be able to provide ongoing financial support or fund improvements in the steamship terminal. Shared Services was ready to assist the Museum in any future negotiations for a new location. However, because the Province has provided a location for the Maritime Museum since 1977, this announcement is disturbing.

**Museum Society Finances:** The Museum is debt free. Like many cultural organizations across the country the Society is challenged financially. No two museums operate on the same model – for example, the Vancouver Maritime Museum, the Nanaimo Museum and the Campbell River Museum all have differing funding sources. However, broad comparisons can be made using data available on line on the CADAC (Canadian Arts Data) website. It tracks the finances of 38 museums across the country with budgets roughly similar to the MMBC's. (this puts the RBCM, the Royal Ontario museum etc. in a separate category).

The most striking difference between MMBC and comparable museums is the percentage of revenue which they generate themselves through admissions, gift shop sales, facility rentals, fundraising events and donations. The average museum earns **30%** of its revenue and receives the balance from government grants (about 44%) and other sources. **For MMBC the percentages are the opposite: it receives roughly 30% of its revenue from government and earns the remaining 70%.** In other words MMBC has to work harder than comparable museums to keep operating which squeezes funds available for staff, new exhibits and maintaining the rich collection.