

Globe Theatre Redevelopment Project - Funding Contribution Agreement

Date	June 10, 2020
To	Finance and Administration Committee
From	City Manager's Office
Service Area	Office of Executive Director (City Planning & Community Development)
Item No.	FA20-9

RECOMMENDATION

The Finance and Administration Committee recommends that City Council:

1. Authorize the Executive Director, City Planning & Community Development, to review, approve, negotiate and enter into a Contribution Agreement between the City of Regina and the Globe Theatre for its redevelopment project.
2. Authorize the City Clerk to execute the Contribution Agreement after review by the City Solicitor.
3. Allocate that funding for this project come from the Recreation/Culture Capital Program.
4. Remove item FA20-6 from the List of Outstanding Items for the Finance and Administration Committee.
5. Approve these recommendations at its June 24, 2020 meeting.

ISSUE

As per direction from the Finance and Administration Committee when considering item FA20-6 (Appendix A: FA20-6) at its meeting on Wednesday, May 13, 2020, Administration is providing the requested additional information.

IMPACTS

Financial Implications

Discussion on the City of Regina's (City) financial support for the Globe Theatre's revitalization project has been ongoing for several years. To date, the Administration has considered the use of reserves as the source of funds for this project. With the recent developments associated with the COVID-19 pandemic, there is a need to maximize flexibility within the General Fund Reserve and the Asset Revitalization Reserve; the two reserves that provide City Council with the most flexibility in addressing immediate and emergent issues/opportunities.

Based on the uncertainty regarding how long the pandemic will last, and the amount of funds required to offset increased costs, it is recommended that the \$6.6 million City funded contribution be allocated through the Recreation/Culture Capital Program over the term of the design and construction period (2020 to 2023).

Annual funding is recommended as follows:

2020 – \$1.32 million
2021 – \$1.76 million
2022 – \$1.76 million
2023 – \$1.76 million

The Recreation/Culture Capital Program was created in 2020 to support investments that advance the Cultural and Recreation Master Plans and other initiatives that focus on enhancing quality of life in Regina. This project is aimed at repairing and remediating a historical building, as well as improving access and programming offered by the Globe Theatre.

Accessing this level of funding for the project will limit the opportunity to fund projects from the Recreation/Culture Capital Program over the next four years. As economic conditions improve, there may be an opportunity to review the annual funding sources. This will be done through the budget process in future years.

Policy and/or Strategic Implications

The City's support for the project is strongly aligned with objectives of the Cultural Plan, specifically the provision of support for artists and the arts, improving access to the arts and cultural resources, and conservation of cultural heritage resources.

Accessibility Implications

Accessibility to the Prince Edward Building is limited and does not meet the diverse needs of persons experiencing disabilities. A new accessible main entrance is a component of this project.

There are no environmental implications associated with this report.

OTHER OPTIONS

This report recommends the source of funding to meet Council's \$6.6 million commitment to invest in the Globe Theatre Redevelopment Project. That said, Council could choose to reduce the level of funding or not fund the project at all.

COMMUNICATIONS

There are no communication activities with respect to this report. The Contribution Agreement will outline the communications protocol requirements that the Globe Theatre will need to comply with.

DISCUSSION

At its meeting on Wednesday, May 13, 2020, the Finance and Administration Committee referred report FA20-6 back to Administration to bring back a report on the following:

- Fundraising initiatives conducted by the Globe Theatre and any future planned fundraising
- Grants the Globe Theatre has applied for and received, and grants they plan to apply for
- Impacts of COVID-19 on their projections moving forward and the re-opening plans
- Future financial plans
- Budget for 2020 and projections for next year
- Impacts of the City's Investments, including potential changes to the Globe Theatre's business model
- Public engagement from both the Globe Theatre and the City of Regina

The Globe Theatre has provided the information requested of them in Appendix B. In response to the final request, the City of Regina does not conduct public engagement on behalf of external organizations. There has been a number of reports discussed in public meetings of Committee and Council recommending the City's support for the Globe Theatre which provided the public an opportunity to speak to Committee and Council specific to this investment, as well as the other priority infrastructure investments.

DECISION HISTORY

On March 25, 2019, City Council approved a list of projects prioritized by Administration to be submitted through the Investing in Canada Infrastructure Program (ICIP) application process for potential funding (*CR19-23 City of Regina Priority Projects – Investing in Canada Infrastructure Program (ICIP), Transit, Green and Social Streams*). This list of projects included the Globe Theatre at an estimated project cost of \$25 million. The requested and agreed upon portion for the City of Regina was \$6.6 million.

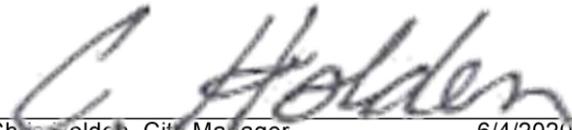
The recommendations contained in this report require City Council approval.

Respectfully Submitted,



Diana Hawryluk, Executive Director, City Planning & Community Dev.

Respectfully Submitted,



Chris Holden, City Manager

6/4/2020

Prepared by: Michelle Forman, Manager, Integration & Stakeholder Relationships

ATTACHMENTS

Appendix A FA20-6

Appendix B Globe Theatre Response