

January 23, 2012

CR12-8

To: His Worship the Mayor
and Members of City Council

Re: Request for Funding from Globe Theatre

**RECOMMENDATION OF THE EXECUTIVE COMMITTEE
- January 18, 2012**

1. That funding up to \$50,000 from the General Fund Reserve to the Globe Theatre in support of their participation in the Regina Cultural Centre project be approved.
2. That the City Manager or designate be authorized to negotiate a funding agreement with the Globe Theatre to be executed by the City Clerk in a form approved by the City Solicitor.

EXECUTIVE COMMITTEE – JANUARY 18, 2012

Ron Podbielski, representing Globe Theatre, addressed and answered questions of the Committee.

The Committee adopted a resolution to concur in the recommendation contained in the report.

Councillors: Louis Browne, Fred Clipsham, John Findura, Michael Fougere, Terry Hincks, Mike O'Donnell and Chris Szarka were present during consideration of this report by the Executive Committee.

The Executive Committee, at the **PRIVATE** session of its meeting held on January 18, 2012, considered the following report from the Administration:

RECOMMENDATION

1. That funding up to \$50,000 from the General Fund Reserve to the Globe Theatre in support of their participation in the Regina Cultural Centre project be approved.
2. That the City Manager or designate be authorized to negotiate a funding agreement with the Globe Theatre to be executed by the City Clerk in a form approved by the City Solicitor.

CONCLUSION

The Cultural Centre project presents a generational opportunity for the advancement of a first-rate downtown cultural facility that will appeal to a large segment of the community and have a beneficial impact on downtown and the City as a whole. With the Regina Public Library (RPL) and Globe Theatre as key occupants, the proposed development will be comprised of institutional, cultural, commercial and retail/restaurant uses. The proposed project is consistent

with the objectives of the Downtown Neighbourhood Plan and complements the City Square Plaza and Victoria Park, two key adjacent active spaces in the downtown. There will be opportunity for potential City space to be allocated in the facility as the project evolves.

The RPL and Globe Theatre have formed a partnership to advance the Cultural Centre project through the P3 Canada Fund funding application process. To accommodate timing of the P3 process and further facilitate a successful partnership and project, the Globe Theatre requires funding for the next phase of work (project management and facility planning). Their fundraising goal is \$200,000, of which 50% will come from the business community and they are seeking 25% respectively from the Provincial and Municipal orders of government. The Administration supports their request as a significant advancement of the Cultural Centre project.

BACKGROUND

On June 13, 2011, City Council adopted the following recommendation from the Executive Committee:

“That City Council endorse in principle the Cultural Centre Redevelopment Project as a vital community project towards revitalization of the downtown and enhancement of the city’s cultural vibrancy.”

This endorsement was based on a request from the RPL and the Globe Theatre as they were proceeding to form a partnership to realize a cultural centre comprised of these two main tenants and other related uses such as museums, office space and a commercial component likely to include a hotel, retail, and restaurant(s). After receiving Council’s endorsement, the RPL submitted an application to the P3 Canada Fund, seeking funding of up to 25% of the capital cost of the project.

Since this time, the RPL’s application to the P3 Canada Fund has been approved to proceed to the next review phase. As such, the RPL is now required to submit a more detailed business case to the P3 Canada Fund by the end of March 31, 2012. Although the P3 Canada Fund application was submitted by the RPL, the Globe Theatre has formed a partnership with the RPL through enabling discussions facilitated by the City Administration.

Because the Globe Theatre is somewhat behind the RPL in terms of readiness for advancing the project, they have initiated fund raising to secure finances for the next phase of work, which includes project management and detailed facility planning which will contribute to the next phase of the P3 Canada Fund process. In previous meetings with the Administration, the City Manager indicated that if the Globe and RPL were to form such an agreement, he would support such a request from the Globe Theatre.

The purpose of this report is to facilitate the Globe Theatre’s request for funding from the City of Regina so that they can proceed to the next phase of work on the cultural centre project.

DISCUSSION

The Cultural Centre project presents a generational opportunity for the advancement of a first-rate downtown cultural facility. With the RPL and Globe Theatre as key occupants, the proposed development will be comprised of institutional, cultural, commercial and retail/restaurant uses. The proposed project is consistent with the objectives of the Downtown

Neighbourhood Plan and complements the City Square Plaza and Victoria Park, two key adjacent active spaces in the downtown. There will be opportunity for potential City space to be allocated in the facility as the project evolves.

The Globe Theatre and RPL have worked together to establish a stronger understanding of their partnership opportunities in the prospective Cultural Centre. To this end, the two parties have worked through facilitated discussions and are jointly proceeding to make the project a reality. The RPL has recently advanced through the first round of the P3 Canada Fund process and are now required to submit a more detailed business case to the P3 Canada Fund by the end of March 2012. Within the coming months, the two parties will be establishing a Memorandum of Understanding that outlines their partnership roles and responsibilities and integrates the Globe Theatre into the next phase of the P3 Canada Fund process.

The RPL has undertaken much work over the last two years which has culminated in draft concept designs of the project. The Globe Theatre has not been involved in the project for as long and is behind the RPL in terms of project readiness. In order to catch up and fully participate into the next phases of the project, the Globe Theatre is fundraising to pay for project management support and facility planning to become better integrated with the P3 Canada Fund process. The goal is \$200,000, comprised of \$100,000 to be secured from business community members, a \$50,000 ask of the Province and a \$50,000 ask of the City.

RECOMMENDATION IMPLICATIONS

Financial Implications

Funding to the Globe Theatre in support of their participation in the Regina Cultural Centre Project is outside of the approved 2012 Operating budget. It is recommended that \$50,000 be approved from the General Fund Reserve unless there is surplus revenue in the 2012 operating budget in which case the GFR funding will not be used.

The GFR balance after approval of this funding is projected to be \$21.5 million, prior to accounting for any 2011 Operating Surplus.

It is unclear at this time what longer term financial implications may exist for the City. It is reasonable to assume that some portion of the capital development costs for the Globe Theatre may be requested from the City.

Environmental Implications

None with respect to this report.

Strategic Implications

The Cultural Centre redevelopment project is consistent with the City's vision of a sustainable, inclusive, thriving and vibrant City. The project is also supported by the Downtown Neighbourhood Plan which envisions intensification of the library site to include a mixed use development as part of the Civic Heart precinct.

Other Implications

None with respect to this report.

COMMUNICATIONS

The Regina Public Library and Globe Theatre will be providing extensive public communication in the near future as the project evolves.

DELEGATED AUTHORITY

The disposition of this report requires City Council approval.

Respectfully submitted,

EXECUTIVE COMMITTEE



Johi Swidnicki, Secretary