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City grants museum $800,000

Councillors approve cash, tax breaks to give children's centre home at Forks

By Janet McFarland
Staff Reporter

City council has approved $800,000 worth of funding, plus ongoing operating grants and tax breaks, to give the Manitoba Children's Museum a new home at The Forks site.

The museum will move into the vacant B & B Building on The Forks land, providing a non-commercial tourist attraction for the development at the historic site.

Mayor Bill Norrie said the move will allow the museum, currently located on Pacific Avenue, to expand its space and enhance The Forks.

But eight councillors voted against the clause in the agreement that sets out how the $800,000 will be financed.

Coun. Peter Diamant (University), a former provincial deputy minister of urban affairs who helped negotiate the tri-level Forks agreement, said the city should have tried to get the $800,000 deducted from the payments it has already agreed to make to the Forks Renewal Corp.

"If it were included as part of our contributions, then that's fair, that's within our budget projection," he said in an interview.

"When it comes on top of our obligations, then that's questionable."

Norrie said the city could not deduct its contribution from the $4 million it has agreed to pay The Forks over the next 10 years because the other levels of government paid their $4-million shares with no deductions.

Norrie said negotiations for a third cost-shared, tri-level Core Area Initiative would be jeopardized if the city reneged on its commitment under a similar tri-level agreement.

"We must agree to what we are obligated so debate on Core can proceed," he said.

Coun. Greg Selinger, chairman of the city's finance committee, said he had no problem supporting the museum spending, despite current tight budget restrictions.

Selinger said the city structured the payment proposal to require no additional spending until 1993. The financing will then be stretched out until 2001.

Selinger also argued the money, a maximum of $200,000 in any year, will only be forwarded if the museum raises equivalent private money.

"It has to be matched by private sector contributions," Selinger said. "It's not a giveaway. It's an incentive to economic development."

On top of the $800,000 for capital spending, councillors also voted to approve a $30,000 yearly operating grant beginning in 1994, and agreed to waive the museum's property taxes, estimated at $100,000 a year.

The museum plans a $4.1-million renovation of the B & B Building, currently vacant and rundown. The province has agreed to contribute $1 million toward construction, and the federal government is providing $1.5 million.

Coun. Don Mitchelson (Henderson), a conservative member of council, said the museum project goes against the original mandate of The Forks development. It was to include only financially self-sufficient projects.

"I see this as a departure from the rule," he said.

"But, quite frankly, I'm a realist and I see that's the way most councillors view the Forks now, not as a free-standing commercial enterprise."

Coun. Al Golden (Glenlawn) was the only councillor to oppose all aspects of the move to The Forks site.

Golden said the museum should not move from its current site because it provides a viable tourist attraction in an area of the city that is economically depressed.

Golden added The Forks has many other tourism drawing cards and is already short of parking space.