Agenda – Executive Policy Committee – June 15, 2011

REPORTS

Item No. 3 **Heritage Conservation Grant for the redevelopment of the Metropolitan Theatre – 281 Donald Street**

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. Together with and subject to an equal financial contribution from the Province of Manitoba; that Executive Policy Committee recommend to Council that a $1.5 million Heritage Conservation Grant to aid in the $16 million redevelopment of the Metropolitan Theatre at 281 Donald Street, payable from the Heritage Investment Reserve Fund, be approved;

2. That the grant is contingent on the project being substantially completed prior to December 31, 2013 as certified by the Architect/Engineer of record for the project; and

3. That the Chief Administrative Officer be authorized to finalize and approve the terms and conditions of all agreements required to implement matters as directed by Council; and

4. That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: Approval of a Heritage Conservation Grant for the redevelopment of the Metropolitan Theatre – 281 Donald Street.

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Thorgrimson	D. Joshi	M. Ruta Deputy CAO/CFO	P. Sheegl CAO

RECOMMENDATIONS

1. Together with and subject to an equal financial contribution from the Province of Manitoba; that Executive Policy Committee recommend to Council that a $1.5 million Heritage Conservation Grant to aid in the $16 million redevelopment of the Metropolitan Theatre at 281 Donald Street, payable from the Heritage Investment Reserve Fund, be approved;
2. That the grant is contingent on the project being substantially completed prior to December 31, 2013 as certified by the Architect/Engineer of record for the project; and
3. That the Chief Administrative Officer be authorized to finalize and approve the terms and conditions of all agreements required to implement matters as directed by Council; and
4. That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required to provide a grant to Canad Inns

IMPLICATIONS OF THE RECOMMENDATIONS

- Based on significant building up-grades and its prime Downtown location and its Nationally designated Grade II heritage status, the Winnipeg Public Service

recommends together with, and subject to an equal financial contribution from the Province of Manitoba that the City's $1,500,000 Grant be approved as monies last in on the project, to help reduce the financial gap and to ensure this exciting multi-faceted entertainment complex proceeds.

- The $1.5 Million grant together with an equal or greater contribution from the Province for the Metropolitan Theatre project will leverage approximately $11,500,000 in private capital investment.
- The re-development of the Metropolitan Theatre will further support and compliment this area of the Downtown as our Sports, Hospitality and Entertainment District.
- The Heritage Investment Reserve Fund has capacity to fund the $1,500,000 Grant for this important redevelopment.

HISTORY

- Constructed in 1919 as the Allen Theatre, this is the only movie theatre of its kind remaining in its original form in Winnipeg. Its competitors have either been demolished, or have been sectioned into smaller theatres.
- In 1923 Famous Players acquired the Allen Theatre Chain and renamed the building the Metropolitan.
- The Metropolitan Theatre closed its doors on November 26th 1987.
- On January 25th 1988 Planning Committee received a letter of undertaking from Famous Players stating that they would not demolish the building and would disclose to all potential purchasers that the building was on the Historic Buildings Inventory.
- On May 30th 1988 Planning Committee recommended to Council that the Metropolitan Theatre be included on the Buildings Conservation List.
- Since then the building has receive basic building maintenance to prevent any major deterioration.
- On August 13, 2010, the City of Winnipeg was approached by the owner to help fund the adaptive reuse of the building. The owner supplied a business plan detailing the intended use of the building as a multi-function event space, while maintaining the historical look and feel of old-style theatre.

FINANCIAL IMPACT

Financial Impact Statement **Date:** May 11, 2011

Project Name: **First Year of Program** **2011**

Heritage Conservation Grant for the redevelopment of the Metropolitan Theatre – 281 Donald Street.

	2011	2012	2013	2014	2015
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 1,500,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,500,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	1,500,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The proposed $1.5M grant is to be funded from the Heritage Investment Reserve Fund.

"Original signed by"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

CentreVenture Development Corporation

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate Division
Prepared by: David Houle
Date: June 9, 2011
File No.