Agenda - Executive Policy Committee - June 16, 2004

REPORTS

Item No. 10 Burton Cummings Theatre
File FG-1.1(B)

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2004, the Standing Committee on Fiscal Issues recommended that $190,000.00 be allocated to the Burton Cummings Theatre (BCT) from the annual General Purpose Reserve (as an additional appropriation) to pay off the first mortgage on the BCT property, contingent upon:

1. Matching funds being contributed by the Province of Manitoba;

2. Burton Cummings Theatre entering into discussions with a downtown institution regarding paying off all of the other creditors and taking a multi-year lease on the property; and

3. Burton Cummings Theatre entering into an appropriate agreement with the City in a form approved by the Chief Administrative Officer.

DECISION MAKING HISTORY:

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On May 4, 2004, the Standing Committee on Fiscal Issues laid over consideration of the matter to its meeting scheduled for June 8, 2004, and in the interim, requested the Administration to report back identifying a funding source for the one-time only grant in the amount of $190,000.00, and to also arrange for a representative from the Burton Cummings Theatre to appear before the Committee at its June 8 meeting.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 14, 2004, the Executive Policy Committee passed the following motion, namely:

WHEREAS the Burton Cummings Theatre (BCT - formerly Walker Theatre) is a National Historic Site and listed as a Grade I Historical Building under the City of Winnipeg's Historical Buildings By-law, and it is believed that the continued vitality of the BCT is essential to the revitalization of the downtown;

DECISION MAKING HISTORY (continued):

AND WHEREAS the Burton Cummings Theatre (BCT) currently has a $1.8 million long-term debt owing to two mortgagors in addition to a creditor of $600,000.00 for initial renovations;

AND WHEREAS the Burton Cummings Theatre cannot meet both its debt service payments and operating costs without incurring additional deficits;

AND WHEREAS the Province of Manitoba has identified a one-time only grant in the amount of $190,000.00 to the BCT if the City were to match the grant, and the combined grant of $380,000.00 (Province and City contribution) would pay off the first mortgagor at which time BCT is to contract with a downtown educational institution to lease the theatre for its own use as a training and performance facility;

AND WHEREAS once the debt is retired, the Burton Cummings Theatre can become eligible for Federal Government Heritage Building Grants to fix internal repairs such as the boiler;

AND WHEREAS once the debt is retired, the facility can operate on a break-even basis and have time to engage in a capital fund-raising campaign for future renovations and additions;

THEREFORE BE IT RESOLVED THAT the Standing Committee on Fiscal Issues be requested to identify a one-time only grant in the amount of $190,000.00 to the Burton Cummings Theatre to be used to pay off the first mortgage on the BCT property, contingent upon:

1. Matching funds being contributed by the Province of Manitoba;

2. A downtown educational institution paying off all of the other creditors and taking a multi-year lease on the property; and

3. Burton Cummings Theatre entering into an appropriate agreement with the City in a form approved by the Chief Administrative Officer.