



Decision Letter

Budget Committee

Meeting No.	22	Contact	Jennifer Forkes, Committee Administrator
Meeting Date	Wednesday, June 22, 2016	Phone	416-392-4666
Start Time	2:00 PM	E-mail	buc@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Gary Crawford

BU22.6	ACTION	Adopted		Ward:20
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Theatre Passe Muraille - Capital Maintenance Plan

Committee Decision

The Budget Committee recommends that:

1. City Council direct the General Manager, Economic Development and Culture to include capital projects at 16 Ryerson Avenue to reduce the State of Good Repair backlog identified in the Building Condition Audit in 2014 and comply with the Accessibility for Ontarians with Disabilities Act in its 2017 - 2026 Capital Budget and Plan submission for consideration.

Origin

(June 9, 2016) Report from the General Manager, Economic Development and Culture

Summary

City Council, in February 2016, directed the General Manager, Economic Development and Culture and the Chief Financial Officer to review the agreement with Theatre Passe Muraille (TPM), and the funding of the 16 Ryerson Avenue Capital Maintenance Reserve Fund (XR3213) to develop a realistic plan for required contributions and capital maintenance, and report back in June 2016, prior to the 2017 Budget process.

Theatre Passe Muraille is Canada's oldest alternative theatre devoted to the development and production of original Canadian work and is the sub-tenant at 16 Ryerson, a City of Toronto owned building. In December 2007, the City acquired the building from Theatre Passe Muraille to assist them in managing a financial crisis while continuing to develop and produce Canadian theatre in the building.

In January 2008, the City entered into a below market rent (BMR) lease with Toronto Artscape Inc. to manage the building as a City-owned performing arts centre, operated by Theatre Passe Muraille. The current lease is for a 10-year term with two five-year renewal options. The lease established that \$200,000 from the proceeds of the sale of the building was to be used to create a Reserve Fund, held by the City as security for any future capital costs. A condition of the lease requires the tenant to contribute a minimum of \$20,000 annually to the Reserve Fund. Such funds, over the \$200,000 principal, are to be applied to the capital costs of the building, through the Economic Development and Culture Division's Capital Budget.

In 2014, an updated Building Condition Audit for 16 Ryerson Avenue identified over \$600,000

in State of Good Repair (SOGR) backlog, (construction estimates only), excluding architects' fees, accessibility upgrades, and a new required electrical service.

Economic Development and Culture staff recently completed a financial review of Theatre Passe Muraille. The not-for-profit theatre relies heavily on grants and donations just to maintain programming and operations. Theatre Passe Muraille does not have the capacity and resources to maintain the building in a state of good repair, beyond the contribution it is already making to the reserve.

Background Information

(June 9, 2016) Report from the General Manager, Economic Development and Culture on Theatre Passe Muraille - Capital Maintenance Plan

<http://www.toronto.ca/legdocs/mmis/2016/bu/bgrd/backgroundfile-94073.pdf>