

City Council

Motion without Notice

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| MM45.49 | ACTION | | | Ward: 14 |
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Update on City Loan Guarantee for Hugh's Room Live - by Councillor Paula Fletcher, seconded by Councillor Ana Bailão

** This Motion has been deemed urgent by the Chair.*

** This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate*

Recommendations

Councillor Paula Fletcher, seconded by Councillor Ana Bailão, recommends that:

1. City Council express its continued support of Hugh's Room Live efforts to purchase the property at 296 Broadview Avenue to be operated as a cultural and music hub and provide up to one year for Hugh's Room Live to satisfy the City that they have secured funding and financing for the full purchase price of the property.
2. City Council request the Deputy City Manager, Community and Social Services, in consultation with the Chief Financial Officer and Treasurer, to conduct the necessary due diligence on the City's loan guarantee to Hugh's Room Live and report directly to Council to obtain Council's approval of the terms and conditions, which will also to the satisfaction of the City Solicitor.

Summary

Live music and cultural performance is among one of the most significantly negatively impacted sectors of the Toronto economy during the pandemic. With the closure of many small live music venues and rehearsal spaces there is an urgent need to help support the rebuilding of our music and cultural spaces infrastructure.

On February 2 and 3, 2022 City Council approved a loan guarantee, subject to the satisfaction of City staff, for up to \$2.2 million to support the register charity Hugh's Room Live in purchasing the property at 296 Broadview Avenue to create cultural and music hub. At the time Council provided the Deputy City Manager, Community and Social Services the authority to extend the date to secure financing for the full purchase should an extension be necessary and justified.

This Motion is to provide an update on the status of Hugh's Room's efforts, and to seek City Council's support for an extension of time for Hugh's Room Live to continue its efforts to acquire the property and setting a timeframe for City staff to report back to City Council on granting the loan guarantee.

At the time of Council's approval Hugh's Room Live loan guarantee the matter was urgent as they were awaiting news of a Canadian Heritage Cultural Spaces grant to support acquiring the property at 296 Broadview Avenue. Unfortunately, Hugh's Room was unsuccessful in their application to Heritage Canada and they have now revised their business plan to acquire the property through other sources of funds, including major donors and commercial financing. This work will be conducted over the course of the next nine to twelve months.

An extension is required in order to finalize funding opportunities with major donors and/or commercial financing; and is needed now to increase the likelihood of the success of those endeavours.

Background Information (City Council)

Member Motion MM45.49