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# Children's Discovery Museum Contribution Agreement

## Recommendation

That the Standing Policy Committee on Finance recommend to City Council that His Worship the Mayor and the City Clerk be authorized to execute and deliver a Contribution Agreement between the City of Saskatoon and the Children's Discovery Museum on the Saskatchewan Inc.

## Topic and Purpose

The purpose of this report is to obtain City Council approval to enter into a Contribution Agreement for the annual payments due to the Children's Discovery Museum on the Saskatchewan Inc. (CDM).

## Report Highlights

1. The CDM will incur expenditures in excess of the annual payments expected by the City of Saskatoon (City) and requires a signed Contribution Agreement by the City to secure interim funding for these expenditures.

## Strategic Goal

This report supports the Strategic Goal of Asset and Financial Sustainability by being open, accountable and transparent, particularly when it comes to the resource allocation decisions the City makes.

## Background

During a presentation to the Governance and Priorities Committee at its special meeting on September 20, 2017, the CDM requested a \$2.0 million capital contribution.

At its November 20, 2017 meeting, City Council considered the Recreation and Parks Master Plan – Facilities Game Plan report. In this report, the Administration recommended that \$500,000 of the total \$2.0 million CDM request be approved for 2018. City Council resolved, in part:

- “1. That the two recreation and parks partnership capital priorities, identified in the October 30, 2017 report of the General Manager, Community Services Department, for partial funding in 2018, be approved pending approval of the allocation of surplus from the Neighbourhood Land Development Fund to the proposed new Recreation and Parks Funding Plan.”

At its March 26, 2018 regular meeting of City Council, considered the Recreation and Parks Master Plan – Facilities Game Plan Proposed Funding Plan report, which provided options for the City to fund a variety of partnership and recreational capital projects, including \$2.0 million to the CDM over a four-year period (2018 – 2021). City Council resolved, in part:

- “1. That the funding plan for the Facilities Game Plan, already partner-led capital projects of \$11.0 million, as outlined in the March 5, 2018, report of the General Manager Community Services Department, be approved in principle, for inclusion in the 2019 and future Business Plan and Budget Reviews.”

### **Report**

The CDM is expecting \$2.0 million total from the City payable over four years as detailed in the approved in principle Recreation and Parks Funding Plan. The first payment was made in 2018, and subsequent payments are to be made in 2019, 2020 and 2021.

The CDM has targeted spring 2019 for the public opening, which means that the expenditures to complete the project will be incurred prior to the funding being received from the City. The CDM will receive interim funding to bridge these payments and requires the City to sign a Contribution Agreement that details the payment plan from the City. This agreement will allow the CDM to obtain interim funding and complete renovations.

Notable terms of the agreement include:

- The contribution will be made annually on or before the 30<sup>th</sup> of April as follows:
  - April 2018 = \$500,000 (payment already made)
  - April 2019 = \$500,000
  - April 2020 = \$500,000
  - April 2021 = \$500,000
- The CDM will provide evidence of the project's commitment to providing ongoing physical, financial and cultural accessibility.
- The CDM shall provide recognition to the City for its leadership and generosity in support of the campaign for the new children's museum.

### **Options to the Recommendation**

City Council can choose not to proceed with the Contribution Agreement; however, the Administration does not recommend this option as without the signed agreement, the CDM would be at risk of not receiving interim funding and completing the work for the public opening in spring 2019.

### **Public and/or Stakeholder Involvement**

The Administration has consulted with CDM staff regarding funding matters of the CDM project and the need for a signed Contribution Agreement.

### **Financial Implications**

The financial implications are in the body of this report.

**Other Considerations/Implications**

There are no policy, environmental, privacy or CPTED implications or considerations and a communication plan is not required.

**Due Date for Follow-up and/or Project Completion**

Follow-up is not required.

**Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**Report Approval**

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Management Department

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