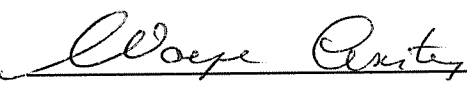




PO Box 1749  
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**Halifax Regional Council**  
**March 28, 2006**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**   
Wayne Anstey, Acting Chief Administrative Officer

**DATE:** March 21, 2006

**SUBJECT:** Bicentennial Theatre - Capital Project

**ORIGIN**

Request from area Councillor to review background and recommend an appropriate solution.

**RECOMMENDATION**

It is recommended that :

1. Council approve a reduction in capital project CPG00485 - Needham Bells in the amount of \$30,000.
2. Council approve a withdrawal from the Heritage Reserve (Q312) in the amount of \$30,000 to assume the cost sharing funding for capital project CBG00300 - Bicentennial Theatre as per the Budget Implications section of this report.

## **BACKGROUND**

The Bicentennial Theatre is owned by HRM and the capital project, described below, has increased the worth of this asset and ensured a longer life for this municipal facility.

In June 2001 a 'Building Condition' report was prepared for Bicentennial Theatre, an HRM owned heritage property which is operated by the community. The consultant's report indicated that a major renovation project was required to preserve and protect this HRM-owned cultural asset. The total estimated cost of the renovation project was \$490,000 (2001) which included a 20 year life-cycle renewal of the exterior and interior by Halifax Regional Municipality. The other major project was the restoration of the theatre and the installation of new sound, lights, ventilation and seats. To fund the project, Tourism, Culture and Heritage (now RTC) staff recommended that the Musquodoboit Valley Bicentennial Theatre (MVBT) Association access ACOA funds. In addition, staff recommended that Council access the Heritage Reserve Fund to fund HRM's portion of the proposed budget. Members of the community made a commitment to raise funds for the project.

## **DISCUSSION**

The scope of the work completed and the complexity of the project have increased costs over funds raised to date by 6%. Additional costs arose in conjunction with the theatre. The source of the increases is two fold:

- the cost for the new electrical system rose from an initial estimate of \$20,000 in 2003 to \$48,000 in 2005. This was a reflection of the difficulty of rewiring a historic theatre. It also reflects more stringent building code requirements than originally costed;
- the cost for the new catwalk, part of the lighting system, increased the structural tender from an estimated \$40,000 to \$61,061.

These cost increases were offset somewhat by cost savings on the purchase of the theatre seats. During the project, the seats in the Savoy Theatre in Glace Bay became available and they were refurbished and installed for less than the original budget. At this time staff are recommending that HRM conclude the project by funding the outstanding amount of \$30,000.

## **BUDGET IMPLICATIONS**

Staff are recommending that HRM fund the increased costs of \$30,000 from the Heritage Reserve by re-allocating \$30,000 from CPG00485 to CBG00300. Capital project CPG00485 is complete and will come in significantly under budget. Therefore, the budget for this project will be reduced by \$30,000 and this funding will be used to increase the budget of CBG00300 - Bicentennial Theatre.

**Budget Summary:**

**Capital Account: CPG00485 Needham Bells**

Cumulative Unspent Budget	\$50,000
Less: Budget Reduction-Heritage Reserve	<u>\$30,000</u>
Uncommitted Budget	\$20,000

**Capital Account: CBG00300 Bicentennial Theater**

Cumulative Unspent Budget	\$ 0
Plus: Budget Increase-Heritage Reserve	\$30,000
Less: Budget Reduction-Cost Sharing	<u>\$30,000</u>
Uncommitted Budget	\$ 0

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**

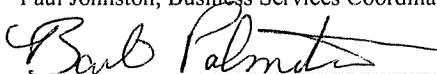
1. The Bicentennial Theatre is owned by HRM and the capital project has ensured a longer life for this municipal facility. Staff recommend that Council fund the remaining amount of \$30,000 from the Heritage Reserve to conclude the project. **This is the recommended alternative.**
2. Council could advise the MVBT Association that it must pay the remaining costs. This is not the recommended alternative. The Bicentennial Theatre is owned by HRM.

**ATTACHMENTS**

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

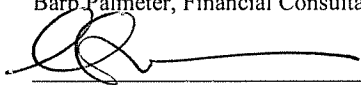
Report Prepared by: Paul Johnston, Business Services Coordinator, 490-5623

Financial Review:

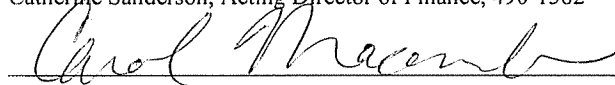


Barb Palmeto, Financial Consultant, 490-7221

Report Approved by:



Catherine Sanderson, Acting Director of Finance, 490-1562



Carol Macomber, Acting Director of Recreation, Tourism and Culture, 490-5908