The following is a copy of Clause G2, Administrative Report No. 1-2011, which was ADOPTED by City Council at its meeting held on January 17, 2011:

<u>Section G – CITY MANAGER</u>

G2) Art Gallery of Saskatchewan Contribution Agreement Report (Files CK. 4129-15, CK. 1860-1 and CC. 4130-2)

RECOMMENDATION: that the information be received.

BACKGROUND

In 2008, the Federal and Provincial Governments signed the Canada-Saskatchewan Infrastructure Framework Agreement which outlined funding under the Building Canada Program. This Program covers a number of funds including the Building Canada, Major Infrastructure Component (MIC). The intent of the MIC is to fund projects that have a national, territorial, or regional impact, and generate benefits related to a growing economy, a cleaner environment, or stronger community.

REPORT

The Art Gallery of Saskatchewan (Capital Project 1786) was submitted for funding consideration under the MIC. On September 23, 2009, a media event was held where MP Kelly Block, along with The Honourable Jeremy Harrison, Minister of Municipal Affairs, announced that the construction of the new Destination Centre (Art Gallery of Saskatchewan) is a priority federal investment.

On July 16, 2010, Ministers John Baird and Rob Merrifield sent a joint letter announcing federal approval-in-principle of funding for the Art Gallery of Saskatchewan. Since that time, the Administration has been negotiating the final funding agreements which have included:

- 1. On September 16, 2010, the \$13,020,000 Provincial Contribution Agreement was signed.
- 2. On October 22, 2010, the \$4,092,877 Agreement redirecting the Building Communities Program funding for the expansion and renovation of the Mendel Art Gallery to the Art Gallery of Saskatchewan was signed.
- 3. On December 22, 2010, the Federal Project Review Panel granted the final approval required for the funding. The \$13,020,000 Contribution Agreement has been approved and is awaiting signature.

With this final Federal Contribution Agreement in place, all senior government funding has been secured for the Art Gallery of Saskatchewan.

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OPTIONS

There are no options.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPACT

There is no financial impact.

PUBLIC NOTICE

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