

The following is a copy of **Clause G2, Administrative Report No. 13-2012** which was ADOPTED by City Council at its meeting held on **September 4, 2012**:

## **Section G – CITY MANAGER**

### **G2) The Remail Art Gallery of Saskatchewan and Civic Parkade Construction Tender (Files CK. 4129-15 and CC. 4130-2)**

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**RECOMMENDATION:** that City Council authorize the Administration to release the construction tender for the Remail Art Gallery of Saskatchewan and the underground civic parkade.

## **BACKGROUND**

At its meeting on March 12, 2012, City Council adopted the following recommendations:

- “3) that the Administration be authorized to prepare the tender package for the Remail Art Gallery of Saskatchewan and parkade; and
- 4) that further information be provided on financing prior to issuing the construction tender.”

On April 30, 2012, City Council approved borrowing to finance the project, including up to \$21M for the design and construction of the Remail Art Gallery of Saskatchewan, and \$6M for the design and construction of the underground parking garage at River Landing.

## **REPORT**

Your Administration is pleased to report that the preparation of the final design for the Remail Art Gallery of Saskatchewan, civic underground parkade, and the addition to the Remail Arts Centre funded by Persephone Theatre is now complete, and that all required funding is in place to enable the City to proceed with the issuance of the public tender for this project.

As previously reported, the combined estimated cost of the art gallery and civic parkade is \$84M. The capital cost of the Remail Gallery building is estimated at \$71M. The gallery is funded by \$21M from the City, \$17M from the Government of Saskatchewan, and \$13M from the Federal Government. The remaining \$20M is being funded by the Remail Gallery Capital Campaign. The \$13M cost associated with the civic parkade portion of this project is being funded from a variety of sources as identified in the Financial Implications section of this report.

The Remail Gallery have indicated that they have reached a key milestone in their quest to achieve their funding goals for the project including both capital and program initiatives. They have advised that they have funding gift agreements and commitments in place which are sufficient to fund its \$20M financial commitment to this construction project.

Deloitte & Touche LLP have reviewed all of the agreements in place at the time of this report and a review of the remaining agreements, which are to be finalized during the week of August 27, will occur on August 31, 2012. The review results are meant to provide adequate assurance to the City that the committed funds will be available as required, and are sufficient to fund the financial commitment to the estimated cost of this project.

The Remail Gallery will be continuing its fundraising efforts throughout the tendering and construction process to ensure that its funding goals are met or surpassed both in the context of capital and program initiatives. Typically, in arts and culture projects, the fundraising campaign is carried out over both the design and construction phases of the project.

The tender package for the construction of the Remail Art Gallery of Saskatchewan, including the civic parkade, and the expansion of the adjacent Remail Arts Centre on behalf of and funded by Persephone Theatre, is being finalized so that it may be issued on September 25, 2012.

### **OPTIONS**

No other options have been considered in preparing this report.

### **POLICY IMPLICATIONS**

There are no policy implications.

### **FINANCIAL IMPLICATIONS**

The following table identifies the capital funding sources and amounts for the gallery portion of the project:

Borrowing	\$20,987,000
Building Communities Program (Province)	4,093,000
Building Canada Fund (Province)	12,651,000
Building Canada Fund (Federal)	13,020,000
Remail Art Gallery Fundraising	20,000,000
<b>TOTAL</b>	<b>(\$70,751,000)</b>

The following table identifies the capital funding sources and amounts for the parkade portion of the project:

Borrowing (supported by parkade revenue)	\$5,880,000
City Capital Reserve	7,000,000
Building Canada Fund (Province)	369,000
<b>TOTAL</b>	<b>\$13,249,000</b>

### **STAKEHOLDER INVOLVEMENT**

Stakeholder involvement has been reported in detail in past reports. The project has conducted open houses at the schematic and design development phases of the project.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications.

### **SAFETY [Crime Prevention Through Environmental Design (CPTED)]**

The project has achieved approval by the Crime Prevention Through Environmental Design Committee.

### **PUBLIC NOTICE**

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