

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES & POLICY COMMITTEE MEETING ON NOVEMBER 27, 2017
FROM:	LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	LONDON CHILDREN'S MUSEUM CAPITAL FUNDING REQUEST

RECOMMENDATION

That, on the recommendation of the Managing Director, Neighbourhood, Children and Fire Services, with the concurrence of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, this report regarding the London Children's Museum capital funding request **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

London Community Grants Program Innovation and Capital Funding Allocations (2018) – Strategic Priorities & Policy Committee, September 18, 2017, Agenda Item #2

BACKGROUND

The London Children's Museum (LCM) submitted an application to the London Community Grants Program for 2018 capital funding in the amount of \$2 million. This request was to contribute to an overall estimated capital cost of up to \$15 million for the development of a new Children's Museum. The Community Review Panel reviewed this application based on its merit and prioritized it to be funded. However, based on the amount requested and the available funding for the Innovation & Capital stream (\$312,000) in 2018, the Panel referred this request to Council for consideration noting that if additional funding was available, the Panel would be supportive of providing one-time capital funding to the LCM.

On September 19, 2017, Council directed Civic Administration to work with the LCM to prepare a 2018 Budget Amendment for the LCM's request for capital funding. This Budget Amendment was to be supported by a detailed business plan outlining the specifics of the proposed project.

UPDATE

Civic Administration met with LCM representatives to discuss the status of their proposed new facility and corresponding request for funding to support the development of a 2018 Budget Amendment. The LCM is currently working to secure a site and is hopeful that this process will be completed in the near future. It was further discussed that the LCM's Preliminary Business Plan, prepared in 2015, would be updated to be fully reflective of the financial realities of the location that the LCM ultimately secures.

As a result of these discussions, both Civic Administration and the LCM concurred that the most prudent approach would be to defer the LCM's request for funding to the 2019 Annual Budget Update process. This approach has a number of advantages, including:

- Provides an opportunity for the LCM to secure a location prior to Council's consideration of the request;
- Ensures sufficient time for the LCM to update the Preliminary Business Plan and prepare a detailed, site-specific financial plan supporting the request; and,
- Enables Civic Administration to perform a more comprehensive review and critical analysis of the proposal to ensure its financial sustainability using site-specific data rather than general assumptions.

Civic Administration will therefore work with the LCM to review their funding request and prepare a Budget Amendment supported by a site-specific business & financial plan for inclusion in the 2019 Annual Budget Update.

PREPARED BY:	REVIEWED BY:
KYLE MURRAY SENIOR FINANCIAL BUSINESS ADMINISTRATOR	CHERYL SMITH MANAGER, NEIGHBOURHOOD STRATEGIC INITIATIVES & FUNDING, NEIGHBOURHOOD, CHILDREN & FIRE SERVICES
RECOMMENDED BY:	CONCURRED BY:
LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

c. Amanda Conlon, Executive Director, London Children's Museum