

GSDC Funding for YES Theatre

Presented To:	City Council
Meeting Date:	November 12, 2024
Type:	Managers' Reports
Prepared by:	Meredith Armstrong Economic Development
Recommended by:	Chief Administrative Officer

Report Summary

This report outlines the funding contribution for YES Theatre’s product expansion and capital improvements project, approved by the Greater Sudbury Development Corporation, for Council’s authorization

Resolution

THAT the City of Greater Sudbury authorize the contribution of up to \$1,000,000 (\$500,000 in 2024, \$250,000 in 2025 and \$250,000 in 2026) from the City of Greater Sudbury Community Development Corporation (operating as the GSDC) to support YES Theatre’s product expansion and capital improvements project as outlined in the report entitled “GSDC Funding for YES Theatre” from the Chief Administrative Officer presented at the City Council meeting on November 12, 2024.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

The YES Theatre product expansion and capital improvements project aligns with the City’s Strategic Plan 2019-2027 objectives including Economic Capacity and Investment Readiness as well as Community Vibrancy. YES Theatre plays a crucial role in enhancing regional cultural and economic development as well as tourism sector development. It contributes significantly to the Economic Development Strategic Plan by offering high-quality theatre programming that celebrates the arts and community vibrancy, aligning with goals to market top-notch tourism experiences. This investment enhances the city’s ability to attract further investment and support sustainable economic development.

Financial Implications

The City of Greater Sudbury Community Development Corporation, operating as the Greater Sudbury Development Corporation (GSDC), has approved funding in the amount of \$1 million for YES Theatre from the Tourism Development Fund, which allocates proceeds from the Municipal

Accommodation Tax (MAT). As outlined in the Operating Agreement between the City and the GSDC, when the GSDC's funding approvals exceed \$250,000, Council authorization is required. There is no impact on the tax levy as a result of this process.

Background

On July 10, 2024, the GSDC Board passed Board Resolution 2024-071 (included below) approving the support for YES Theatre's product expansion and capital improvements project. This project is now being presented to Council for approval, given the level of the funding request and in line with the Operating Agreement in place.

As the request of the GSDC Board, the Tourism Development Committee reviewed YES Theatre's product expansion and capital improvements project proposal and provided a recommendation to the GSDC recommending support from the MAT-funded Tourism Development Fund in the amount of \$1 million over three years.

The Tourism Development Fund allocates part of the proceeds of the Municipal Accommodation Tax to projects that attract out of town visitors, increase hotel room-nights and build Greater Sudbury's tourism sector. As part of the process, Economic Development staff receive and review proposals and provide due diligence for each project. The GSDC Board of Directors provides approvals for TDF funding requests that have been reviewed and recommended by the Tourism Development Committee, a subcommittee of the Board.

During the application review process the GSDC's Tourism Development Committee recognized that YES Theatre plays a crucial role in enhancing local and regional cultural and economic development. The organization's successful launch of the Refettorio provided the Committee and the Board with the confidence that the product expansion and capital improvement project has significant potential for successful as well.

- YES Theatre provides a significant economic impact by offering high-quality theatre programming that celebrates the arts and community vibrancy, aligning with the City's strategic goals to market top-notch tourism experiences.
- In 2023-2024, YES Theatre welcomed 36,676 visitors and supported 173 artist contracts
- To date in 2024 the organization has had 23,593 visitors

The theatre's involvement supports investment readiness for downtown Sudbury and the South District, including the development of the new Events Center and the adjacent development of the Cultural Hub.

Since the organization's merger with the Sudbury Theatre Centre in 2021 and the opening of their Refettorio open-air theatre in 2023, YES Theatre has demonstrated its capability to manage major facilities and contribute to downtown revitalization. Its role, alongside other entertainment providers and amenities, is vital for the success of the events district.

This funding request represents a pivotal step in elevating YES Theatre to new heights and further anchoring it as a major draw for both tourists and residents. This project aligns with goals of the Tourism Strategic Plan by enhancing the theatre's facility, expanding its audience reach, and strengthening its ability to draw visitors from across the province.

As YES Theatre continues to grow and contribute to the vibrancy of downtown Sudbury, this investment will transform the theatre into a cornerstone of the city's future cultural and economic

development, creating a lasting impact on Sudbury's urban landscape.

Project Overview

The GSDC Board has approved funding for YES Theatre in the amount of \$1 million over three years from the Tourism Development Fund to support a transformative project running from January 2025 to December 2027. This funding will be strategically allocated to several key areas to be developed to enhance the theatre's offerings and boosting Greater Sudbury's cultural tourism.

- The allocation includes securing licensing and royalties for high-quality productions that will draw tourists and elevate the theatre's reputation.
- Funds will be directed towards other production costs necessary for delivering professional and engaging theatrical experiences.
- A significant portion of the funding will be used for tourism marketing, aimed at promoting YES Theatre's productions to attract visitors and enhance Sudbury's profile as a premier cultural destination.
- Funding will also support a feasibility study to assess and plan for the future expansion and modernization of the Sudbury Theatre Centre (STC) in alignment with opportunities associated with the development of the South District and the Event Centre.
- Immediate capital needs for the STC, such as HVAC repairs and accessibility upgrades, will also be addressed to improve our facilities and audience experience in the short term.

This comprehensive investment will enable YES Theatre to execute a high-impact program, enriching Sudbury's cultural landscape, supporting local economic development, and driving tourism growth.

Project Objectives

Over the course of this three-year initiative, YES Theatre is committed to achieving several key objectives aimed at boosting Greater Sudbury's cultural tourism and economic vitality.

First Objective

- Develop a robust year-round programming schedule featuring seven to ten productions annually, including major musicals, concerts, and plays. This initiative is expected to attract up to 10,000 tourists per year, complementing and enhancing other local tourism offerings.
- Expand partnerships with local hotels, restaurants, and attractions to create comprehensive "Eat, Stay, Play" packages, and using the Province's tourism economic impact model (TREIM), YES Theatre projects over \$4.5 million in annual visitor spending within three to five years.

Second Objective

- Modernize the theatre facilities to increase capacity and improve both artistic and educational programming and address immediate needs, such as HVAC repairs and AODA-compliant washrooms.

Third Objective

- Expand the tourism partnership program that will streamline the visitor experience by creating a user-friendly tourism platform.
- Reconfigure the website to feature three distinct web pages— "Your Visit," "Food and Drink," and "Learn and Explore"—highlighting local hotels, restaurants, and attractions. This will

allow YES Theatre to simplify travel planning and enhance the visitor experience.

Fourth Objective

- Foster economic growth through arts and tourism by creating employment opportunities for artists and stimulating business activity in downtown Sudbury.
- Focus on talent development, attraction, and retention to build a robust creative economy. Through these efforts, YES Theatre will significantly contribute to the cultural and economic vitality of Sudbury.

Through the funding agreement to be established, the proponent will report regularly on each of these objectives and their progress on meeting each deliverable.

Project Budget

The total project budget is \$5,072,000.

- The GSDC's TDF funding contribution amounts to 19.7% of the total project budget.
- Of the proposed project financing, \$4,072,000 was previously confirmed from public and private sources.
- With the contribution of \$1,000,000 from the GSDC the project will be fully funded, helping the project leverage additional contributions from provincial and federal sources.

Previously, YES Theatre has received municipal funding for its activities through separate funding programs, including the 2024 Arts & Culture Operating Grant in the amount of \$33,000 and City funding for the Refettorio project.

Conclusion

Economic Development administers TDF funding agreement and the GSDC provides oversight for review of project deliverables and release of each funding allocation over the funding period. Throughout the project and aligning with the contribution timelines, the funder will provide two interim reports, one final report and a post project report.

Resources Cited

1. GSDC Board Resolution 2024-071, included below.



CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION
GSDC Regular Meeting of July 10, 2024
Motion 2024 – 071

Moved by: Jennifer Berger

Seconded by: Councillor Mark Signoretti

WHEREAS the Tourism Development Committee (TDC) provides advice and recommendations as a subcommittee of the Greater Sudbury Development Corporation (GSDC) Board for investments to strengthen and support the city's tourism sector; and

WHEREAS YES Theatre has submitted a request for support through the Tourism Development Fund (TDF) to develop "Northern Ontario's Premier Arts Tourism Destination" and is seeking funding to develop business and feasibility plans to determine growth and expansion needs, including leveraging development opportunities in the downtown core, as well as to address short term capital requirements at the Sudbury Theatre Centre; and

WHEREAS the Tourism Development Committee has reviewed the proposal and recommends a contribution of up to \$1,000,000 from the Tourism Development Fund, to be disbursed over three years to support this project;

THEREFORE BE IT RESOLVED THAT the Greater Sudbury Development Corporation (GSDC) approves the Tourism Development Committee's (TDC) recommendation to provide a contribution of up to \$1,000,000 over the next three years (Year 1: \$500,000.00, Year 2: \$250,000.00, Year 3: \$250,000.00) to support YES Theatre's goal of becoming Northern Ontario's premier arts tourism destination; and

THAT each year's results will be reviewed for TDC recommendation prior to the disbursement of subsequent contributions and a 10% holdback is applied to the Year 3 disbursement; and

THAT this funding approval is brought forward for City Council authorization, in alignment with the Operating Agreement between the GSDC and the City of Greater Sudbury; and

FINALLY THAT the *Resourceful City* logo be supported and used on all communication, marketing materials and websites, in acknowledgement of this contribution.

Jeff Portelance
Chair of the Meeting