



CITY OF MOOSE JAW

OFFICE OF THE CITY MANAGER

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February 28, 2006

Mr. Ray Boughen, Co-Chair
Multiplex Committee
c/o 1339 Queen Crescent
Moose Jaw, SK
S6H 6E6

Dear Sir:

Re: Proposed Multiplex Project

The purpose of this letter is to clarify the status of the proposed Multiplex project.

1. City Council endorsed the \$36.3 million project, excluding land, as envisioned by the Nustadia Study. The Nustadia Study envisioned a 4500 seat hockey arena and a curling rink with all appropriate supporting auxiliary spaces. Any change to the scope of the project requires a renewed endorsement from City Council.
2. The City of Moose Jaw has committed \$10 million, in addition to matching dollar for dollar, all private and corporate donations up to a maximum \$5 million. This commitment is subject to the completion of a due diligence exercise that will substantiate the revenue assumptions made in the Nustadia Business Plan. The City Administration will endeavor to complete this process concurrent with your community fundraising efforts.
3. City Council has endorsed the project as a municipal project which allows the issuance of tax receipts for donations. The procedure for collection of the donations and issuance of receipts is as per Mr. Hauta's letter to you dated December 22, 2005 (attached).
4. The City of Moose Jaw, in conjunction with the Multiplex group, will approach other levels of government for funding. The Mayor's Office will facilitate meeting arrangements.
5. City Council's appointment of Mayor Schwinghamer, Councillor Dreger, Garry McKay, City Manager, and Jody Hauta, Director of Parks and Recreation to the Community Ad Hoc Committee was done with a mandate to oversee the preparation of a Business Plan for the Multiplex. The Committee's work was completed with presentation of the Nustadia Study to City Council in November, 2005. If the Multiplex group is desirous of having a Council and Administrative representation on your Community Multiplex Committee, these representatives must be appointed by City Council (as was done for appointments to the Ad Hoc Committee).

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6. The immediate task for the Multiplex group is to secure the remaining \$24.7 million required in addition to the City's commitment of \$15 million in order for the \$39.3 million project (including land) contained in the Nustadia Study to go forward. Detailed planning for the project will proceed after all required project funding is in place. If your Committee deems certain project decisions such as location, building ownership and operations are required to assist with fundraising, it will be necessary to obtain City Council's direction on these matters.

I note there have been some discussions from your group for the need to secure start-up funds to assist with fundraising. This letter confirms that it will be necessary to obtain City Council approval for such funds. As discussed, any request of Council should include a complete Fundraising Business Plan that includes, but is not limited to, fundraising targets, timelines and an implementation plan.

I can advise that the current focus of the City Administration is, in conjunction with the community group, through the Mayor's Office, to approach the two senior levels of government for financial support; and to complete the due diligence process to confirm the revenue assumptions contained in the Nustadia Study.

I trust this letter clarifies the City's current role and commitments for the proposed project. Please feel free to contact either myself or Mr. Hauta as required.

Yours truly,


Garry McKay
City Manager

GM/ps

c: Members of City Council
Jody Hauta, Director of Parks and Recreation