

---

## MANAGEMENT REPORT

**Date:** To be determined by Council. Negotiations are nearing completion  
**To:** Mayor and Council  
**From:** Rob Horne, CAO  
**Report#:** COU17-067  
**Attachments:**

1. Public Consultation Report
2. Festival Site Plan / Development Overview
3. Project Timeline
4. Stratford Festival Economic Impact (extract)
5. Current Tom Patterson Theatre Lease Agreement
6. Technical Review by City staff of (current) Proposed Site Plan
7. Letters from YMCA of Stratford-Perth and University of Waterloo

---

**Title:** Stratford Shakespearean Festival of Canada (the "Festival") Proposed Redevelopment at 48 Water Street, Stratford, being the location of the Tom Patterson Theatre

**Objective:** To make a series of recommendations to support the redevelopment of the city-owned property at 48 Water Street in Stratford.

**Background:** The Festival has leased and occupied the Tom Patterson Theatre from the City of Stratford for over four decades.

Over the course of 2016 and 2017, the Festival has developed a vision for a new, updated, state-of-the-art "Tom Patterson Theatre Centre". The new Theatre Centre would include a Forum and Laboratory, as well as digital media and educational activities.

The Festival has advanced its fundraising to a point where the Provincial government has committed \$20 million to the redevelopment of the Tom Patterson Theatre. In addition, staff understand that an additional \$20 million (or more) in private donation commitments have also been made. There is also an outstanding request for \$20 million from the Federal government that continues to be under consideration.

The Festival has consistently maintained its interest in redeveloping 48 Water Street, which it deems to be an essential waterfront location to support the Theatre's ongoing viability and provide broader support of the City and surrounding area's economy.

The proposal has now been the subject of comprehensive public consultation, including well attended public meetings, culminating in a report to Council on October 23, 2017 (please see attached). From the public meetings, it was evident that the community has demonstrated substantial public engagement relating to this important milestone decision for the City.

A project timeline of past milestones is also attached to this report.

**Analysis:** In dealing with this proposal, Council has a number of key considerations, specifically:

- Council's decision whether to enter into a lease arrangement or sell the property to the Festival, should it decide to proceed;
- the specific terms/details of any property-based transaction;
- whether or not Council is willing to grant an exemption from the City's land disposition policy in the event of a sale;
- the accommodation of existing users of the property (e.g. active adults, lawn bowling);
- the physical form of the proposed development;
- ensuring continued public access to, and use of, the property;
- the importance of the Festival to the City and Stratford area's economy; and
- go-forward transition and implementation plans should Council agree to proceed with the redevelopment.

Each of these items is dealt with in detail below.

#### 1. Council's Decision Whether to Lease or Sell the Property

Council has stated its appreciation of the importance of this property in the context of a public property and as an integral element of the City's park system. A lease of the property, with financial terms, would maintain ownership in the City's hands. However, the Festival would require some certainty that the lease would be long-term given its substantial investment. An outright (fee simple) sale of the property, is also an option, and the City could require ongoing public access to the Property as a condition of the sale. At this point, negotiations are nearing completion, and will be reported when this process has concluded.

#### Other Considerations

Currently, the Tom Patterson Theatre is carefully managed in the interests of safety for the public, but it was constructed as a temporary facility more than four decades ago.

It is important to note that the Stratford Fire Department conducts annual inspections. The City's Fire Chief has confirmed that the Tom Patterson Theatre is currently in

compliance with Ontario Fire Code provisions regarding the sprinkler system, emergency lighting, portable extinguishers, a fire safety plan and fire alarm system requirements.

Since 2015, several changes were made to the Tom Patterson Theatre, including the application of fire retardant spray to the underside of bleachers, seating adjustments and added wall lighting. The theatre's ceiling lights are also removed during the winter months to accommodate for snow loading on the existing structure.

The Kiwanis Community Centre is a reception centre for City-wide emergencies. Should the development of the Property proceed, an alternative location would need to be established for this purpose.

The issue of the location of a new Tom Patterson Theatre Centre has been discussed in the community on several occasions.

The Festival maintains that it requires the property at 48 Water Street as a key element to continue to be globally competitive. The Festival notes on its website "A civic treasure in its own right, this glittering parcel on the Avon River will dramatically enhance one of our City's most prized waterfront locations and provide a new focal point for visitors and the community alike."

Staff has examined, canvassed, and discussed other site locations with the Festival. The City-owned Cooper site has been raised as an option, but the Festival prefers the 48 Water Street property for the reasons noted above. Others have suggested building in the lower Queens Park area; however, a significant portion of this area is prone to flooding and subject to development restrictions that are regulated by the Upper Thames River Conservation Authority (and subject to the provincial Conservation Authorities Act).

Comments have also been made about a potential location on other City-owned land, such as in the Wright Business Park. Given the demand for industrial land, the use of some industrial properties for recreation (some of which may be better used for industrial purposes), coupled with land use compatibility considerations, this area is not seen as appropriate for a new theatre.

Ultimately, the Festival is of the opinion that 48 Water Street is the best location for a \$65M investment in the community.

The issue of a heritage designation has also been raised in the community, including the lawn bowling facilities. While the property has been used by the community for decades, there are ways to commemorate past uses and users, and this is a recommended action in the Implementation Plan described in this report.

## 2. Financial Terms of Any Property-Based Transaction

A lease arrangement can be established and renewable for a specified term or terms in accordance with the terms and conditions of the lease. Given the size and cost of the proposed redevelopment, a long term lease would need to be considered. A decision to sell the property is also an option to be considered.

Should Council choose to lease the property, the determination of a lease rate is necessary. The City has discussed this issue with external consulting services in order to provide information on the determination of a lease rate. Under the existing lease arrangement, the Festival pays a 5% annual escalation rate. As included in the existing lease agreement (a copy of which is attached to this report), the Festival could be required to assume all utility, maintenance, tax and other costs associated with operating its building. This escalation rate however applies to the property taking into account there is a forty year old building located on the property.

There are many approaches that can be taken to determine a lease rate or sale price. These include calculations of expected gross income under existing conditions, land lease value if the proposed Festival development was built, a "best and highest" development scenario (e.g. maximum development potential) and a comparison of other property sales. All of these approaches were examined. Given the uniqueness of the property, site zoning, and the intended use, both determinations and calculations were deemed by the consulting appraiser to be challenging, but the examination of value in terms of best and highest land use should represent a maximum return on investment that the City could expect today.

## 3. Accommodation of Existing Users of the Property

Currently, a large number and wide range of users access this property on a daily basis.

The Stratford Lakeside Active Adults Association (SLAAA) is a major user. The City has engaged the SLAAA Executive and membership in extensive discussions about possible transition plans. As a result, and after additional investigation, the Agriplex, located at the Rotary Complex property, can be outfitted to accommodate SLAAA on an interim basis. The Festival has already agreed to a \$500,000 contribution toward the temporary relocation. As for the length of time during which SLAAA would be in this temporary location, an initial estimate is between 2 and 5 years, but ultimately would be determined by the time required to build a new hub on the Grand Trunk property (expected to be less than five years) should Council decide to proceed to build this Hub for active adults and other users. **However, the City would then also develop a construction schedule for building a new community hub in as short a time frame as possible.**

The Stratford Lawn Bowling Club would also need to be permanently relocated. After considerable discussion, the Club has agreed that it could relocate to the City's municipal golf course. In addition to a suitable on-site location having been identified, members could access the on-site amenities. It is also anticipated that membership could grow

(reciprocally) between the lawn bowlers and the golfers to better use the facility and to generate additional revenue.

There are also a number of other one-time or less frequent users who would also lose regular access to the site. These users must also be considered as part of any transition plan.

#### 4. Form of the Proposed Development

Details of the proposed design (from the Festival) are attached to this report (please see Site Plan / Development Overview, Addenda and Technical Review). The Festival has worked extensively not only on building functionality and aesthetics, but compatibility with adjacent land uses. This includes a lower than originally planned building height, and avoiding vehicular headlights shining into adjacent residential areas.

It should also be noted that in the case of any development in Stratford, the Festival's development application must conform to zoning, receive site plan approval, and secure all other associated regulatory approvals and permits. The Festival would also be responsible for the repair or replacement of any infrastructure it disturbs. This includes the replacement of a sanitary sewer that currently crosses the property, and the establishment of easements and rights-of-way as necessary for the City.

The Festival would also be required to pay all associated fees (e.g. building permit, development charges, site plan) as applicable.

**The summary findings of a technical review of the proposed redevelopment are also attached, as prepared by City staff. Additional refinements to the plan are expected. As part of this process, City staff will be further discussing such issues as the location, type and size of new trees, and additional adjustments to enhance on-site parking for the Festival and for the general public.**

#### 5. Ongoing Access To and Use of the Property, Including Parking

It is critical to understand that while the Festival would have primary use of the property as a lessee, a number of opportunities for public access, use, and enjoyment should continue.

First, the Festival has included extensive new gardens, and has confirmed its acceptance that the public may enjoy these green spaces. Should Council proceed, the Festival should meet and confer with the Parks Board of Management regarding these new green spaces in the context of the surrounding park system.

The Festival has offered to make available approximately 22,000 square feet to SLAAA to relocate (back) to the 48 Water Street property in a new building. **However, the Festival would look to the City to build, outfit and pay for this structure, estimated at \$7 million for 22,000 square feet.** In order to avoid another transitional

move and the potential loss of public investment, it would be more prudent to accelerate the development of the Grand Trunk Community Hub (including space for SLAAA) and to advance negotiations with key potential funding partners, including the YMCA of Stratford-Perth and the University of Waterloo (please see letters of intent attached). **This would also avoid issues with competing parking needs of the Festival and SLAAA on the same site.**

Parking is a critical issue. The Festival requires a minimum of 150 on-site parking spaces to support a 600 seat theatre during its season (1 space per 4 seats). During the off season and during the season when the Festival does not require parking, the on-site parking should be accessible for public purposes. For example, use of this parking area during events at the Allman Arena is very important to the City. Given the complexity of the issue, Council should proceed to develop a separate Parking Strategy with the Festival, the Allman Arena and others who require parking in this area (e.g. residents and visitors who come to enjoy the surroundings). Parking along Morenz Drive (and potentially other streets) for use by both the Festival and the public also needs to be reviewed and addressed. As previously noted, these matters can also be further examined and refined through the site plan review process.

The Festival has also stated its openness to consider public access to interior and exterior spaces when these spaces are not committed for Festival purposes. The potential for special events (e.g. conferences), for example, could generate additional revenue to the Festival and community, offering a new venue to attract new or larger events. In other instances, access at a reduced fee or at no cost should be explored. Access to washrooms for the public also needs to be discussed.

At the present time, parking on-site and adjacent to the site includes:

- 127 on-site spaces at the 48 Water Street property ( this includes 8 accessible spaces);
- Water Street behind the property – 15 on-street spaces;
- Morenz Drive – 6 spaces (one space being accessible)
- Allman arena - 75 spaces (two spaces being accessible)

Bus drop off and bus parking at the Allman Arena should also be reviewed.

## 6. Importance of the Festival to the Stratford and Area Economy

An Economic Impact Study completed by the Stratford Festival is attached to this report highlighting the importance of the Festival to the City. The public input sessions have also underscored the importance of the Stratford Festival to the local economy.

It is important to note that the Festival was in fact originally created by the community as an economic development initiative.

## 7. Real Estate (Property) Agreement and Implementation Plans (Should Council Agree to Proceed with the Redevelopment)

The proposed redevelopment represents one of the largest initiatives of its kind in the history of the City of Stratford. If the development proceeds, there will be many moving parts over the next few years.

Subject to Council approval, the City and the Festival would need to assemble and monitor a detailed implementation plan. This would include a communication strategy to the community and to our visitors. As with any project of this magnitude, unforeseen issues will arise, and will need to be dealt with by Council and/or the Festival.

Should Council decide to proceed, a series of recommendations have been provided in this report. However, in the interests of clarity and comprehensiveness, the following section outlines the recommended contents and approval process of a Real Estate (Property) Agreement, a Transition Plan and an Implementation Plan:

### **Real Estate (Property) Agreement – Key Elements**

As previously noted, negotiations are nearing completion between the Festival and the City of Stratford.

### **Transition Plan**

- a) The Chief Administrative Officer, in consultation with the City Solicitor, work with the Festival and enter into an agreement for the transition of all existing users for the Property, and associated details, with costs associated with the transition being the responsibility of the Festival;
- b) City staff be directed to review all existing rental and contractual agreements associated with the use of the Property and report back to Council on the process to withdraw all the existing rental and contractual agreements;
- c) SLAAA programs and facilities be temporarily moved to the Agriplex using an accelerated contractor procurement process, with costs associated with the temporary relocation including but not limited to any required renovations to the Agriplex, being the responsibility of the Festival. The total estimated cost is not expected to exceed \$500,000, but this will ultimately be determined through the City's tender award for this work.
- d) The existing Stratford Transit service route be modified to stop near or at the front of the Agriplex, and if possible, adjust the route schedule to better support the SLAAA and other users of the Agriplex; and

- e) The Festival agree to the City of Stratford removing at no cost to the Festival any rolling stock, building elements, and any other items from the property within a defined period of time, including HVAC equipment, lawn bowling structures and equipment, signage and memorabilia.

## **Implementation Plan**

- a) The Stratford Lawn Bowling Club be relocated to the Stratford Municipal Golf Course with new turf, fencing, lighting, and storage facilities, as well as use of the existing Golf Course buildings, and all costs associated with the relocation of the Stratford Lawn Bowling Club shall be the responsibility of the Festival. The total estimated cost is not expected to exceed \$200,000;
- b) The City work with the Stratford Lawn Bowling Club and the Stratford Municipal Golf Course and assist the parties in collaborating to build membership in both sports to further enhance the use of this City-owned facility;
- c) City staff and the Festival engage in discussions with the Board of Parks Management to optimize green space on the Property, including public access;
- d) City staff develop a Parking Strategy that includes provisions related to make on-site parking spaces available to the public and to report back to Council to recommend such a Strategy for approval. This arrangement must include provisions to best accommodate general public and for specific purposes (e.g. tournaments and games at the Allman Arena) and an ongoing review of how well the strategy is supporting all needs;
- e) The costs of any disruption of public infrastructure on the Property, including but not limited to the sanitary sewer line, and any other disruptions within the road allowance, be the sole responsibility of the Festival, with easements and other rights-of-way being provided to the City as necessary;
- f) Stratford Transit and the City's Parking Division meet with the Festival to explore options other than vehicular parking, including shuttle service to and from Festival theatre locations;
- g) The Stratford Tourism Alliance, in conjunction with the Provincial Regional Tourism Office (RTO4) and the Stratford Perth Museum, collaborate with the Festival to explore opportunities to enter into new partnerships with the Festival that support and enhance the Festival's success, as well as to broaden community vitality;
- h) The City work with the Festival to request that memorabilia, plaques, or other forms of recognition of past users of the property be placed in the interior spaces



of its new facility, including but not limited to the Stratford Kiwanis and the Stratford Lawn Bowling Club;

- i) Proceeds from a real estate transaction with the Festival be deposited into a Special Reserve to support new infrastructure on the Grand Trunk (Cooper) Block, including a community hub, and/or for debt retirement;
- j) City staff be directed to advance discussions with the YMCA of Stratford Perth, the University of Waterloo and senior government levels to realize an initial phase of the development of a new Grand Trunk Community Hub on the Grand Trunk property;
- k) The Chief Administrative Officer, in consultation with the City Solicitor, be authorized to sign any associated documentation, including the termination of agreements with existing users, detailed transitional arrangements and development-related applications;
- l) The Chief Administrative Officer and the City Solicitor be authorized to finalize the real estate agreement, including any minor administrative adjustments that are consistent with Council's approved terms; and
- m) That the City of Stratford and the Festival collaborate to develop a Detailed Project Construction Plan, including a co-ordinated and joint communications strategy to continuously inform the community during the construction of the new facility. The City's Corporate Communications Lead in the CAO's Office would be the point of contact for the City of Stratford for the communications strategy.

## **In Closing**

In my opinion, the Festival's proposed redevelopment of the City-owned property is a legacy initiative that has both local and global implications in supporting community and national prosperity. This is also a very unique opportunity to assemble major public and private sector funding in a manner that is not typically available, especially from senior government levels.

The community should be commended for both its engagement and its thoughtful comments. Regardless of perspective, public input is essential in staff's role of advising Council.

The series of recommendations contained in this report have been drafted to provide Council with a comprehensive framework for consideration. As noted in this report, there would be many implementation details to be confirmed over the course of this project.

Finally, my sincere thanks to all City staff who supported the process, as well as the associated analysis and recommendations. This report is the product of our collective efforts.

**Financial Impact:** The costs of site preparation and redevelopment (i.e. soft and hard costs of construction) would be fully borne by the Stratford Festival.

As described in the report, the Festival should be required to assume the transitional costs for the SLAAA and for the Stratford Lawn Bowling Club (permanent relocation). As previously noted, the City will continue to advocate for senior government funding to construct a Grand Trunk Community Hub, wherein the SLAAA can be more permanently accommodated. In the interim, staff recommend the hub phasing be advanced through discussions with SLAAA, the YMCA of Stratford-Perth, the University of Waterloo and senior government levels.

There may be some costs to the City for work such as the removal of equipment, rolling stock (e.g. furniture) and other on-site elements. However, staff would make best efforts to use in-house resources to do so.

Currently, the Festival pays the City approximately \$80,000 per year to lease the existing theatre structure.

For Council's benefit, the key operating costs of the existing Tom Patterson building, as contained in the (approved) 2017 City of Stratford budget, are as follows:

Revenues:

• Tom Patterson lease	\$ 80,000
• Room Rentals	<u>\$ 30,000</u>
Total:	\$110,000

Expenses:

• Custodial salaries, benefits, utilities and services	<u>\$294,100</u>
--	------------------

Net Cost: \$184,100 \*

\* Excludes programming, staff and external (property) maintenance.

There may be some annual property taxes payable to the City (e.g. parking, retail). However, it is expected that the Festival would seek an exemption, refund or other form of tax relief from the Municipal Property Assessment Corporation.

**Staff Recommendations:**

**THAT the City of Stratford enter into an agreement with the Stratford Shakespearean Festival of Canada (the "Festival") to permit the redevelopment of the Tom Patterson Theatre on City-owned property municipally described as 48 Water Street, Stratford, Province of Ontario ("Property");**

**THAT the City of Stratford and the Festival execute a formal agreement with provisions that include, but are not limited to the following:**

**[Please note: Negotiations between the Stratford Festival and the City are ongoing and nearing completion.]**

**THAT the Chief Administrative Officer, in consultation with the City Solicitor and the Festival, develop a Transition Plan and enter into an agreement with the Festival with requirements to report back to Council, as described in this report;**

**THAT the Chief Administrative Officer, in consultation with the City Solicitor and the Festival, develop an Implementation Plan, with requirements to report back to Council, as described in this report;**

**THAT the Stratford Fire Chief be directed to establish a new emergency reception centre to replace the Kiwanis Community Centre;**

**THAT the Chief Administrative Officer and the City Solicitor be authorized to finalize the requisite contractual documents, including any minor administrative adjustments that are consistent with Council's approved terms, as described in this report;**

**AND THAT the Mayor, Clerk and CAO be authorized to execute all of the requisite contractual documents, as described in this report.**



---

Rob Horne, Chief Administrative Officer

---

## MANAGEMENT REPORT

**Date:** October 19, 2017  
**To:** Mayor and Council  
**From:** Rob Horne, CAO  
**Report#:** COU17-063  
**Attachments:** None

---

**Title:** The Stratford Festival's Proposed Tom Patterson Theatre Redevelopment – Public Feedback

**Objective:**

To present Stratford City Council with the public feedback received regarding the Stratford Festival's proposed Tom Patterson Theatre redevelopment.

**Background:**

The Stratford Festival is seeking to redevelop the City-owned property at 48 Water Street.

Stratford City Council has made no decisions regarding the proposed project. However, the potential for a new theatre has generated significant interest in the community, as well as questions and concerns about how it would impact the property and its various user groups.

Therefore, at its September 11, 2017 meeting, City Council passed the following resolutions:

**THAT Stratford City Council re-confirms to the community that it has made no final decision on the proposed redevelopment of the City-owned Tom Patterson property by the Stratford Festival, and will issue an updated communique with additional background;**

**THAT staff be directed to complete a full technical site plan review of the proposed Tom Patterson Theatre redevelopment, as**

**recently released by the Stratford Festival to the public, and report the results to Council;**

**THAT special public input meetings be convened to hear delegations relative to the proposed Stratford Festival Tom Patterson Theatre redevelopment, and invite representatives of the Stratford Festival to hear the submissions;**

**AND THAT these public input meetings be advertised widely.**

Following Council direction to gather public input, the public had several opportunities to engage in this process:

### **1. Feedback Opportunities, September 21 to October 10, 2017**

The City planned to accept public feedback regarding the Tom Patterson redevelopment up to September 30, 2017. However, given the significance of the project and the substantial community interest and impact, the deadline to submit feedback was extended until the Tuesday after Thanksgiving, October 10, 2017. Thus the City accepted public feedback over a three week period, between September 21 and October 10, 2017 through the following channels:

- i. Online feedback was accepted on the City's website at [www.stratfordcanada.ca/TomPatterson](http://www.stratfordcanada.ca/TomPatterson);
- ii. Electronic feedback was also accepted via e-mail;
- iii. Verbal feedback was accepted over the phone;
- iv. Written feedback could be dropped off at any City information desk or mailed to City Hall;
- v. Comment cards were available to fill out in person at City information desks.

All feedback received is available to review on the City of Stratford's website: <http://www.stratfordcanada.ca/en/insidecityhall/resources/Tom-Patterson-Redevelopment/20170921-20171010---TPT-Feedback.pdf>

### **2. Public Open Houses, September 26, 2017**

- Public Open Houses were held on September 26, 2017 at the Stratford Rotary Complex;
- To accommodate varied schedules and allow as many people as possible to participate, two sessions were held, the first from 3:00pm to 5:00pm and the second from 7:00pm to 9:00pm;
- Both open houses followed the same format, with a brief presentation from City staff and the Stratford Festival (available on the City's website

by clicking [here](#)), followed by an audience question-and-answer period (open house notes are included in the public feedback document on the City's website, available by clicking [here](#));

- For those unable to attend, the City's Facebook (<https://www.facebook.com/cityofstratford/>) and Twitter (<https://twitter.com/cityofstratford>) accounts were updated to reflect the comments offered by speakers throughout both open houses;
- Comment cards and post it notes were available to fill out at both Open House sessions. All written feedback received at the open houses is included in the online public feedback document, available by clicking [here](#);
- The Open House sessions were widely advertised through a variety of platforms, including a media release, a notice on the City of Stratford website, the Town Crier, social media posts on the City's Facebook and Twitter accounts, and notices pinned to bulletin boards at strategic locations, including the Rotary Complex and the Kiwanis Community Centre.

## **Analysis:**

During the three week public consultation process described above, the City received over 850 submissions. Given the significance of the project and importance of public input, the results of the public engagement process have not been tallied, scored, or interpreted, but have instead been provided in their entirety (with personal information redacted to comply with the Municipal Freedom of Information and Protection of Privacy Act) on the City's website, available by clicking [here](#).

However, based on the public input received, some themes have been identified to help inform Council's decision making process:

### **1. Impact on Existing Users and Transition Plan**

Many respondents commented on the need to accommodate the various existing user groups should the project proceed. For example, concerns were expressed over the future of the Stratford Lawn Bowling Club and its potential to be shut down for a full year if relocated. Others expressed concern for senior citizens who frequently use the KCC for SLAAA meetings and activities, and wondered if the Agriplex would be able to accommodate them properly, particularly with limited public transportations services. Some commented on the impact to the Agriplex itself and are concerned that present activities and events on site will be disrupted. Some users commented that they would prefer to remain in the same location, and took issue with being displaced.

Others advocated for the relocation of user groups to the proposed Community Hub, and expressed support for the Agriplex transition plan. Others supported the Festival's proposed inclusion of a community space within the new theatre.

## **2. Global Competitiveness/Local Economic Implications**

Proponents of the Stratford Festival's proposal cited the need to replace the aging Tom Patterson Theatre in order to remain competitive in the global marketplace, particularly with nearby competing theatre municipalities such as Chicago, New York, and Toronto. Many noted that the Stratford Festival is a key economic driver in our community, and that several local businesses are dependent on the continued success of the Festival.

Others noted that the scope of the project may be too large and may represent a threat to the Festival if seats cannot be filled on a continual basis. Some recommended a more modest reconstruction or renovation.

## **3. Senior Government Funding**

Respondents expressed concerns that a delay in this process would result in the loss of \$20 million in senior government funding pledged to the Festival by the Government of Ontario. Others noted that the project should be approved to make use of this \$20 million in allocated funding, as the opportunity will be lost otherwise. Some noted that the Festival's project should not be put on hold until senior government funding is confirmed for the proposed Community Hub, as delaying the process could result in a loss of funding. Concerns were expressed over the loss of \$5 million in funding if the project is not approved and underway before March 31, 2018 and asked that Council make a decision to proceed as quickly as possible.

## **4. Land Disposition**

Some respondents took issue with the sale of municipal property. Some feel that a long-term lease would be more appropriate than a sale. Others feel that this project is an inappropriate use of municipal property and that the property should remain fully open and accessible for residents of Stratford.

## **5. Location**

Some respondents felt strongly that the proposed new theatre should remain in its present location due to the importance of remaining on the waterfront. Many feel that this will best enable the Festival to stay competitive with other (larger) municipalities, including Chicago, New York, and Toronto.

However, other respondents indicated that the new theatre does not need to be located on the waterfront to stay competitive and might be more appropriately located

elsewhere, with some suggesting the Cooper Block as an option. Others proposed keeping the reconstructed theatre near the water, but in a different location.

## **6. Parking**

Concerns were raised over the cost and availability of parking at the new theatre, particularly if this venue also houses a community centre. Some commented that parking at the Allman Arena could also be impacted. Others are concerned about the traffic impact for arena and community centre patrons, pedestrians, and local residents.

## **7. Design (building and site)**

Some respondents expressed great enthusiasm for the design of the building and the gardens and felt that it would complement the waterfront and downtown.

Others felt the design was too modern and/or too elaborate to fit in with the existing downtown architecture and riverfront. Some expressed concerns that the proposed building is too large, and a more modest design would be more affordable and appropriate for the theatre and surrounding area.

Others expressed concern over the impact the all glass building would have on birds and stressed the environmental impact to wildlife.

*Please note that the themes highlighted above are not exhaustive, and that individual submissions should be reviewed.*

### **Financial Impact:**

#### **a) Proposed Tom Patterson Redevelopment (Capital Costs):**

Provincial Government (announced):	\$20 million
Federal Government (unannounced):	\$20 million
Fundraising:	<u>\$20 million</u>
TOTAL (approximate and excluding endowment):	\$60 million

\*Note that this government funding could be used for the development and construction of the new theatre only (excludes purchase/lease and transitional space costs)

#### **b) Relocation of User Groups:**

The Stratford Festival has offered to provide up to \$500,000 to finance the relocation of user groups to interim locations.



**Comments from the CAO:**

The public consultation process relating to the proposed Tom Patterson redevelopment resulted in very sizable public participation. With over 850 submissions and in excess of one thousand people at the two public forums at the Rotary Centre, the community was truly engaged. Staff made best efforts to ensure the debate was well informed, and that the unknowns were clearly enunciated (e.g. whether a Federal funding commitment will be made).

As Council will note, staff did not add up or interpret individual submissions to respect the varying concerns and interests of the public. However, highlighting key themes was undertaken to identify focus areas to Council. These themes will also be valuable in informing the content of subsequent staff reports.

Given staff's understanding of Provincial funding requirements and the project complexity, it is important to bring this matter to Council for a decision in the next few weeks. Both budget implications to the taxpayer and moving displaced users will be very important considerations of staff should Council agree to proceed.

**Staff Recommendation:**

**That Council proceed expeditiously to a decision in November 2017 regarding the proposed Stratford Festival Tom Patterson Theatre redevelopment;**

**And that the public input received be used as input for Council deliberation in November 2017.**



---

Stephanie Potter, Policy and Research Associate



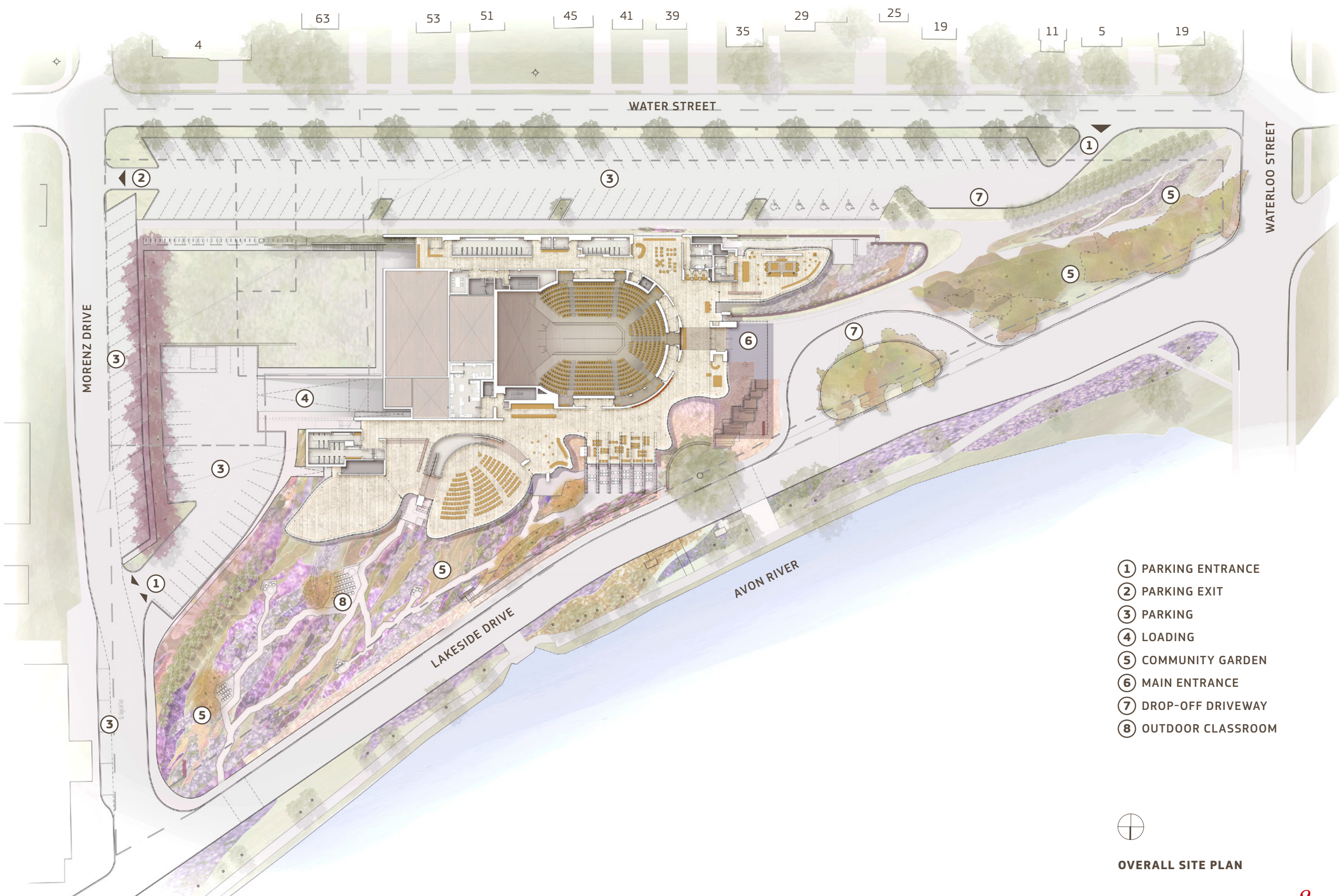
---

Rob Horne, Chief Administrative Officer

*Stratford*  
**FESTIVAL**

**Tom Patterson Theatre Centre**

HARIRI PONTARINI  
ARCHITECTS



- ① PARKING ENTRANCE
- ② PARKING EXIT
- ③ PARKING
- ④ LOADING
- ⑤ COMMUNITY GARDEN
- ⑥ MAIN ENTRANCE
- ⑦ DROP-OFF DRIVEWAY
- ⑧ OUTDOOR CLASSROOM



OVERALL SITE PLAN

HARIRI PONTARINI  
ARCHITECTS





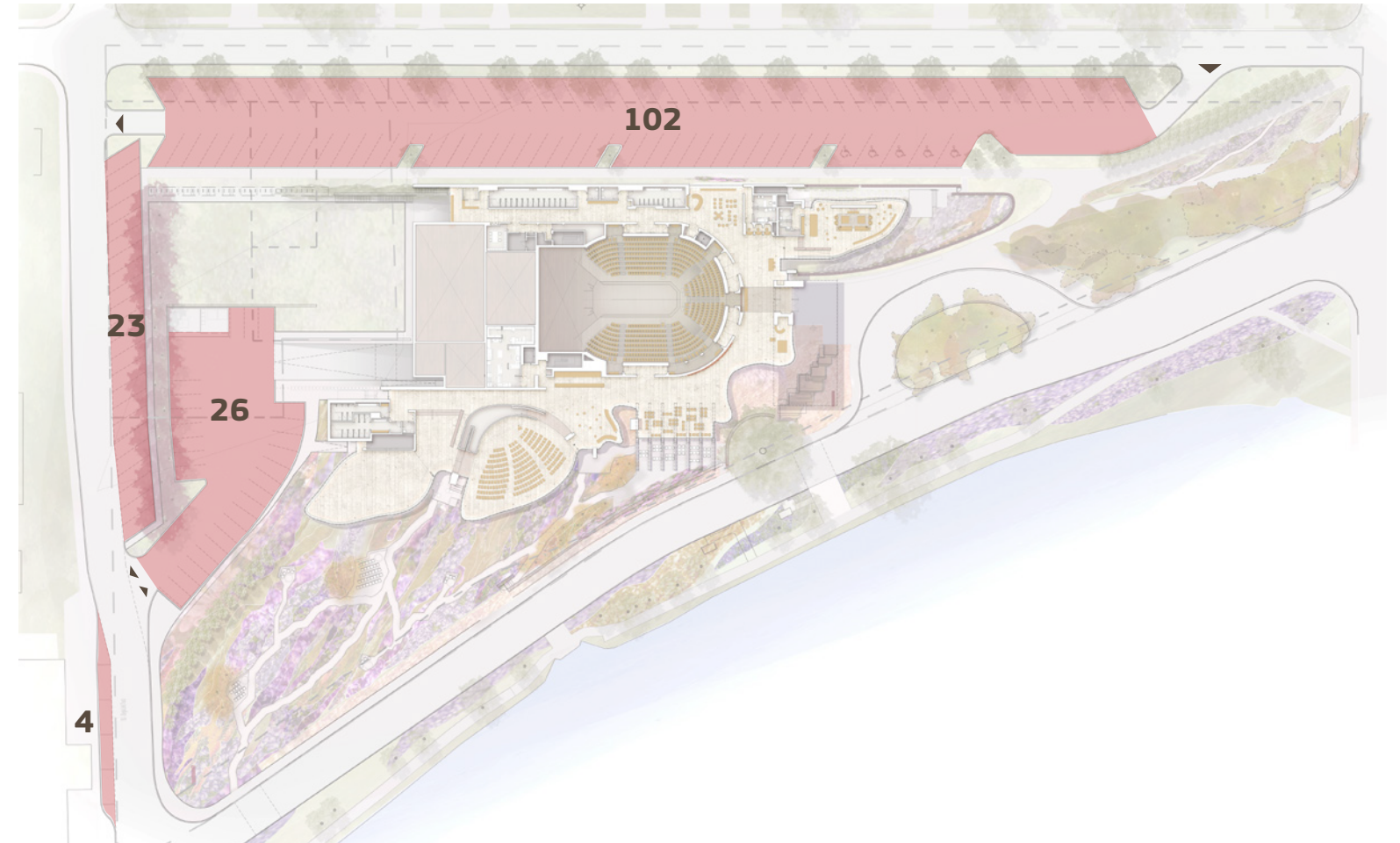
VIEW OF MAIN ENTRANCE

HARIRI PONTARINI  
ARCHITECTS





130 EXISTING PARKING SPOTS

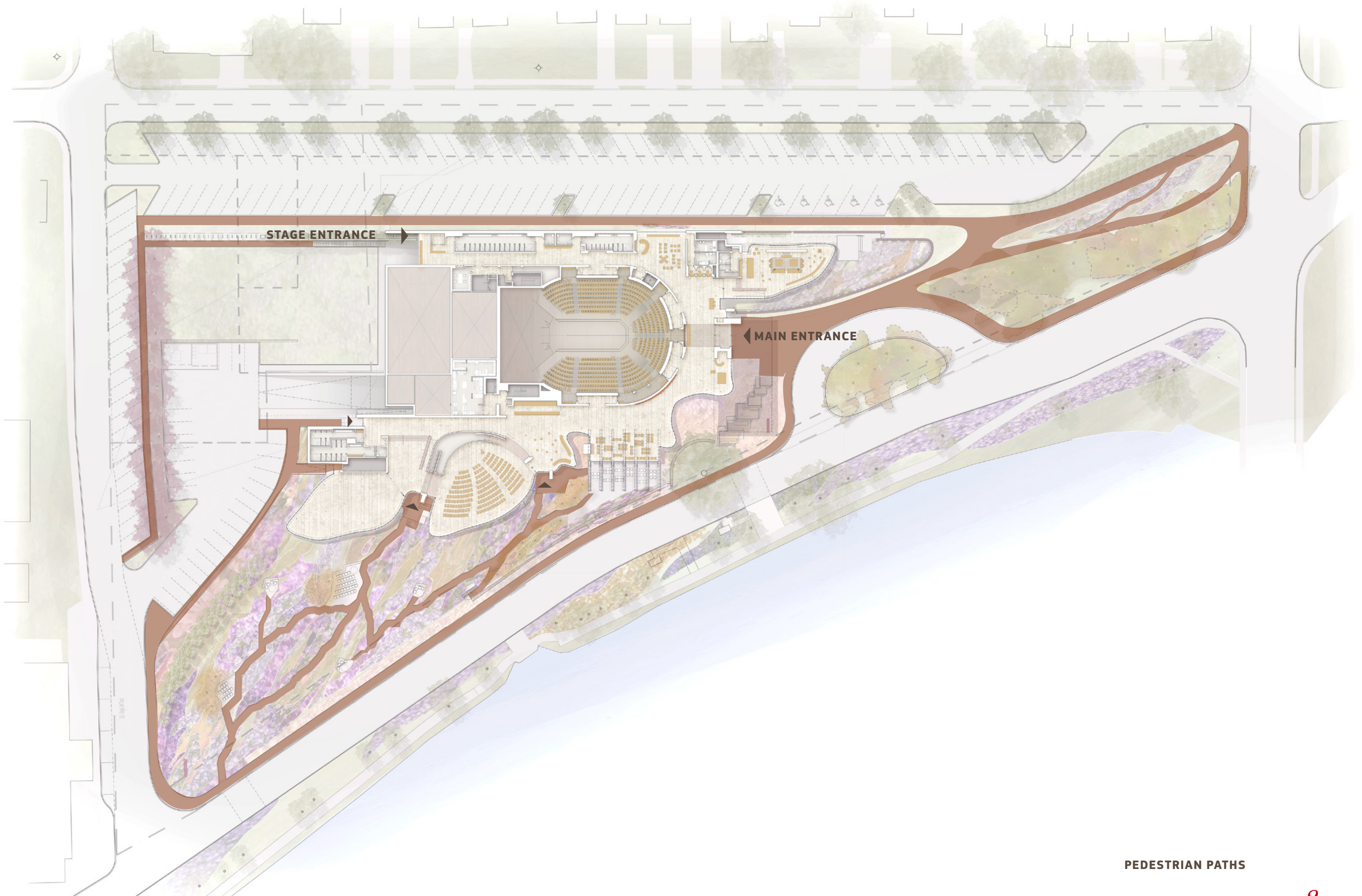


155 PROPOSED PARKING SPOTS

PARKING

HARIRI PONTARINI  
ARCHITECTS

*Stratford*  
FESTIVAL



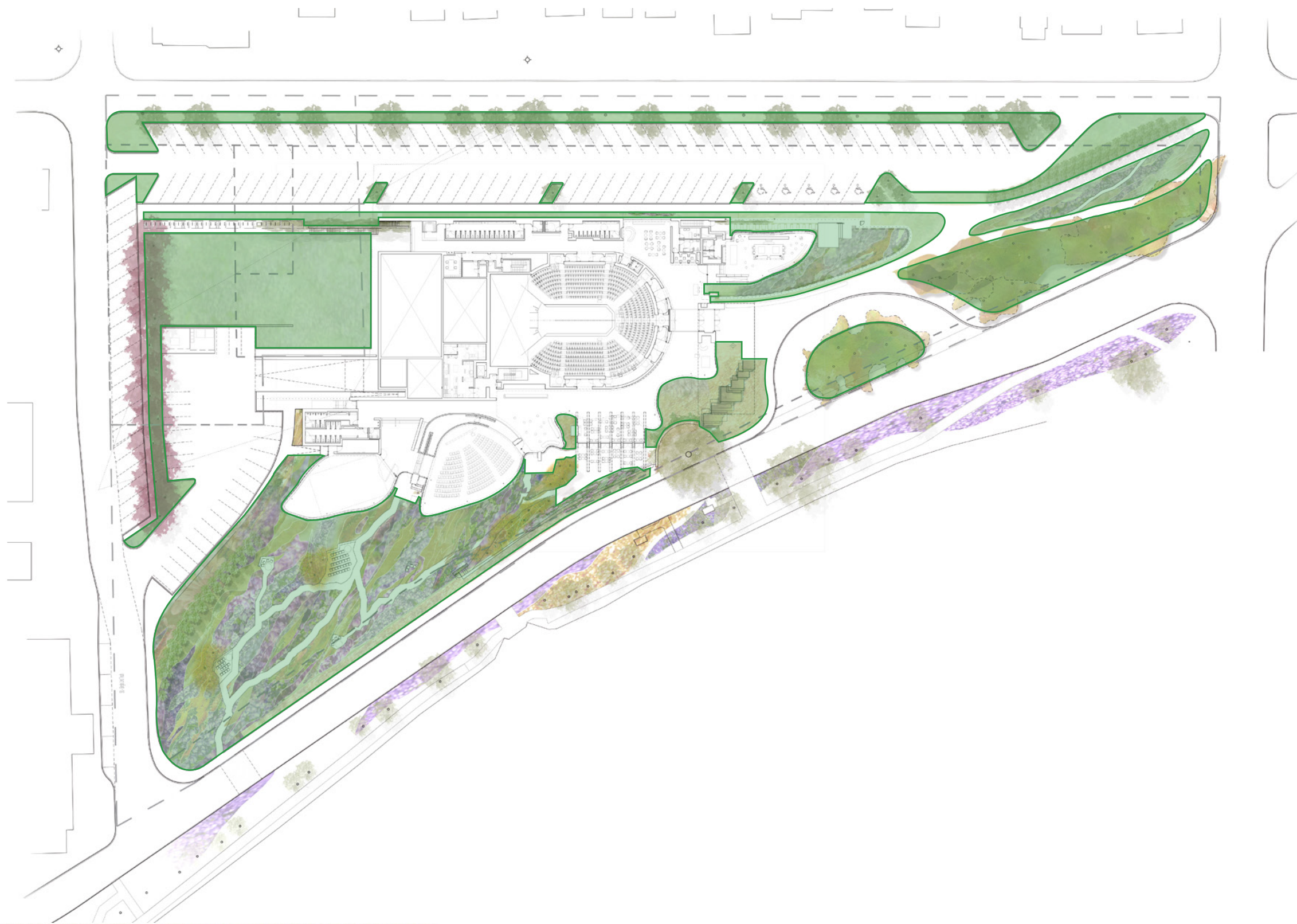
STAGE ENTRANCE

MAIN ENTRANCE

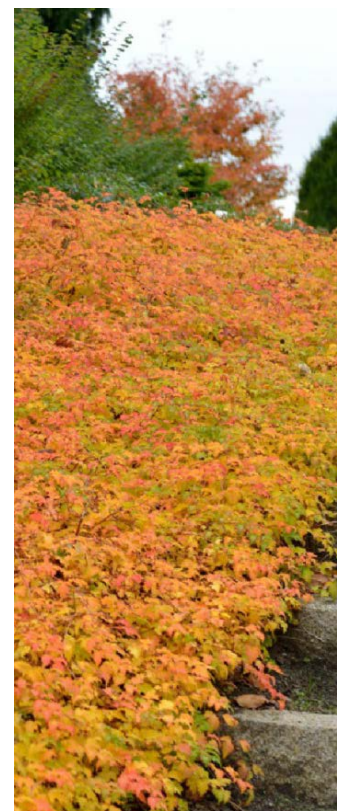
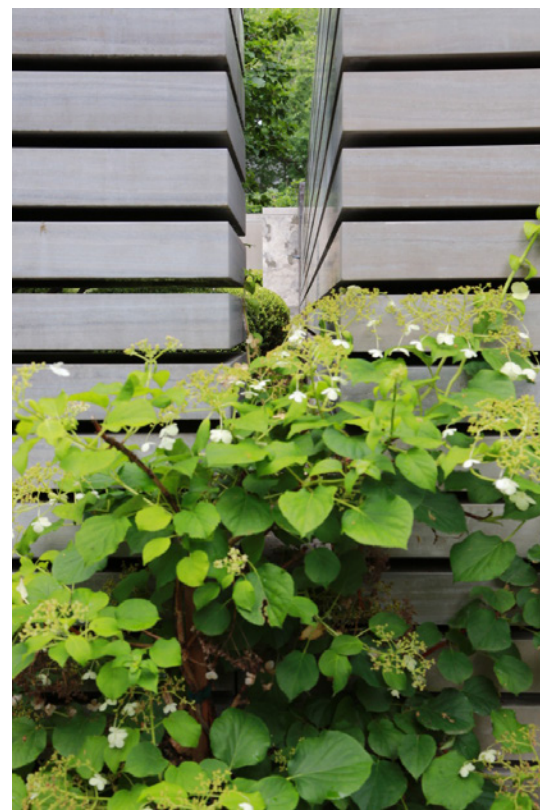
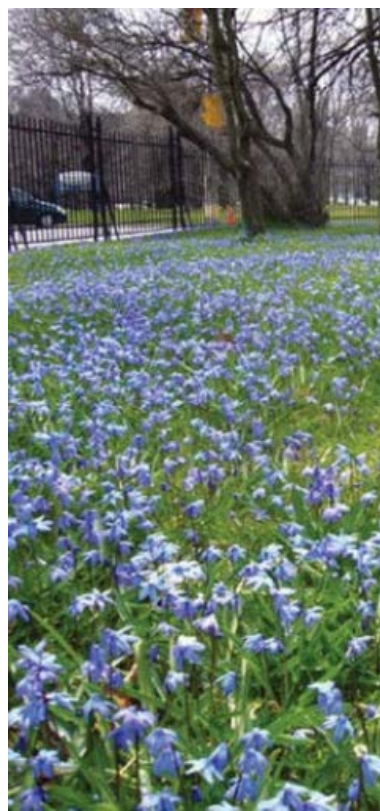
PEDESTRIAN PATHS

HARIRI PONTARINI  
ARCHITECTS

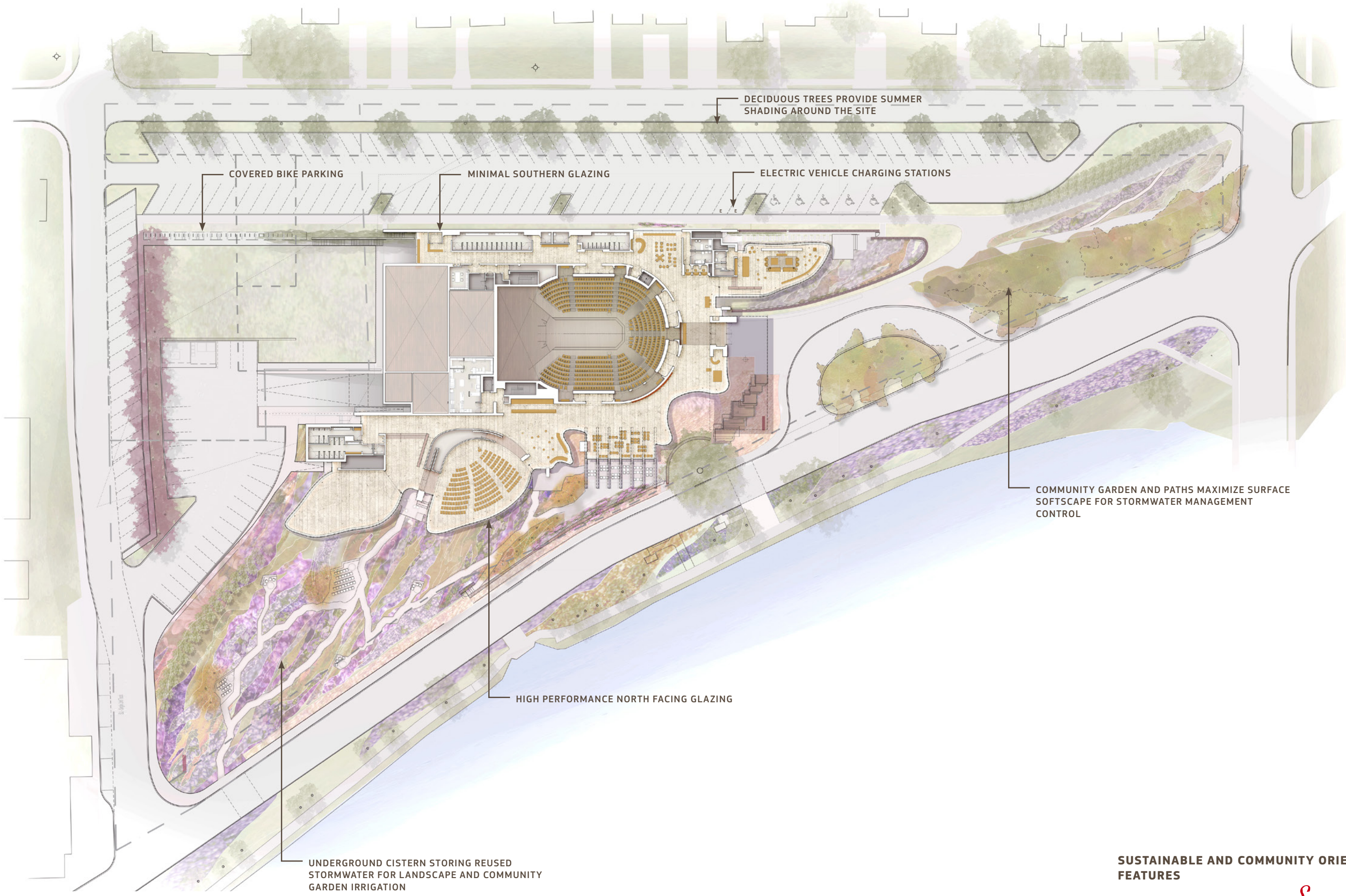
*Stratford*  
FESTIVAL



SOFTSCAPE AND GREEN AREAS







COVERED BIKE PARKING

MINIMAL SOUTHERN GLAZING

DECIDUOUS TREES PROVIDE SUMMER SHADING AROUND THE SITE

ELECTRIC VEHICLE CHARGING STATIONS

COMMUNITY GARDEN AND PATHS MAXIMIZE SURFACE SOFTSCAPE FOR STORMWATER MANAGEMENT CONTROL

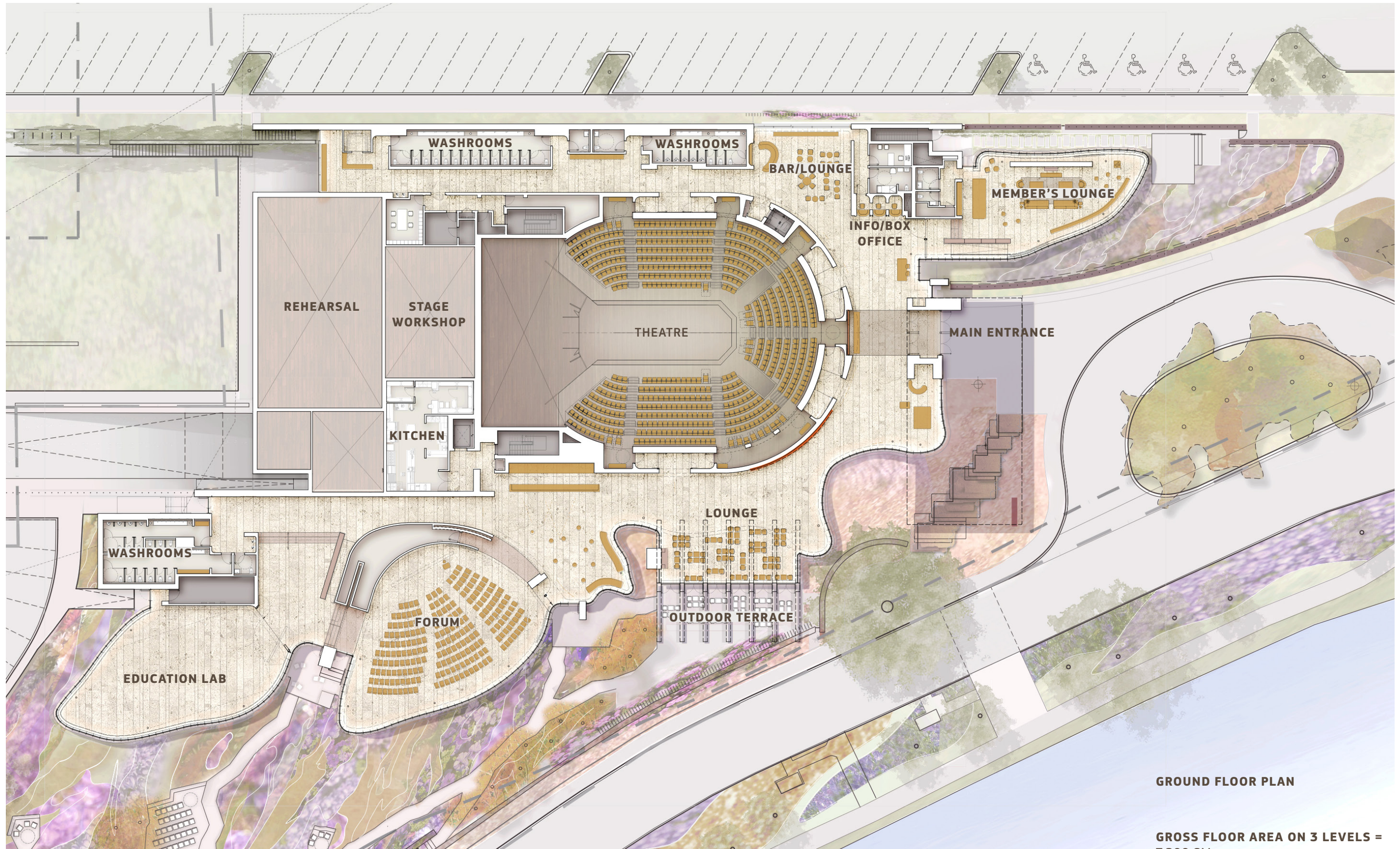
HIGH PERFORMANCE NORTH FACING GLAZING

UNDERGROUND CISTERN STORING REUSED STORMWATER FOR LANDSCAPE AND COMMUNITY GARDEN IRRIGATION

SUSTAINABLE AND COMMUNITY ORIENTED FEATURES

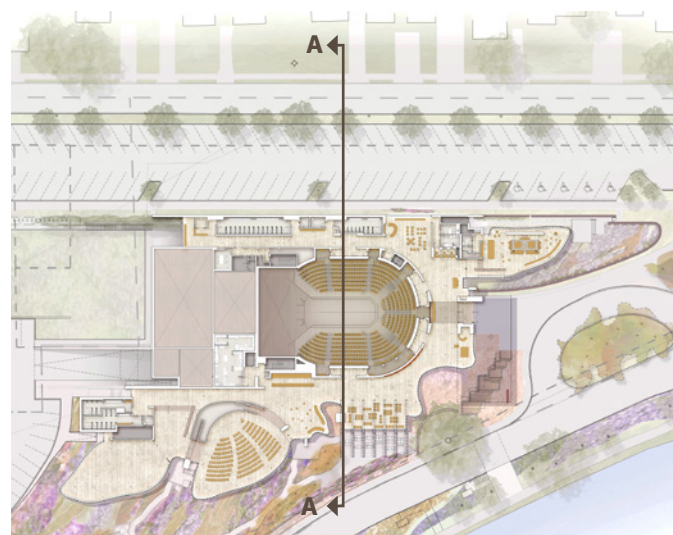
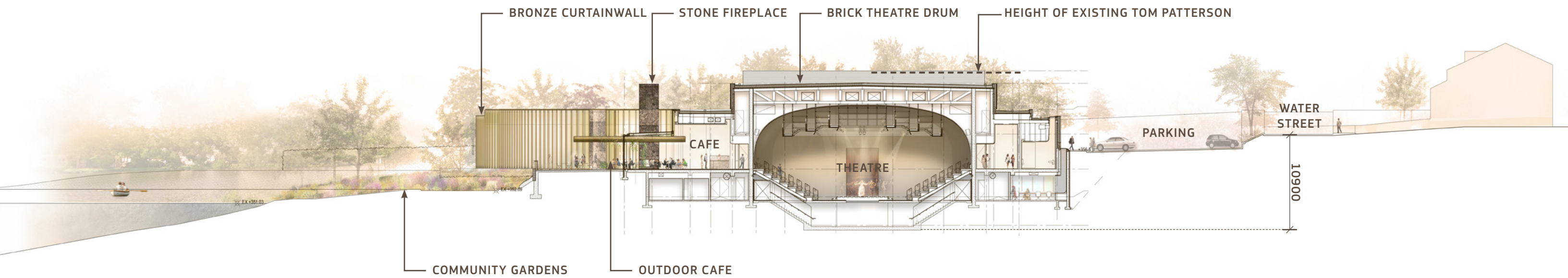
HARIRI PONTARINI ARCHITECTS





**GROUND FLOOR PLAN**

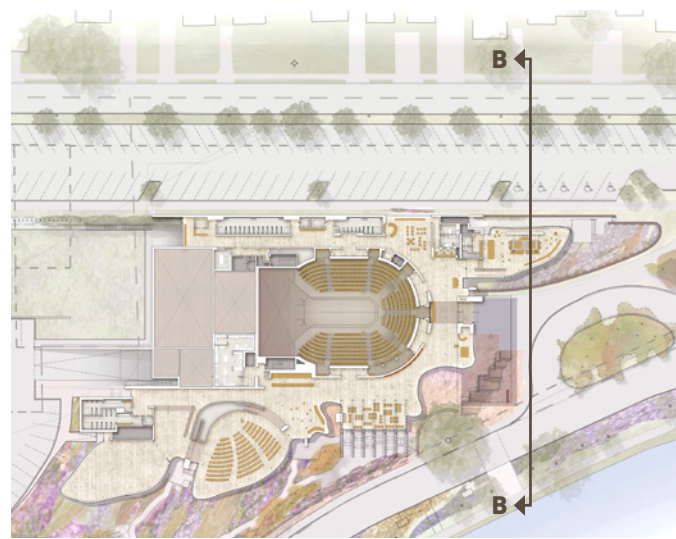
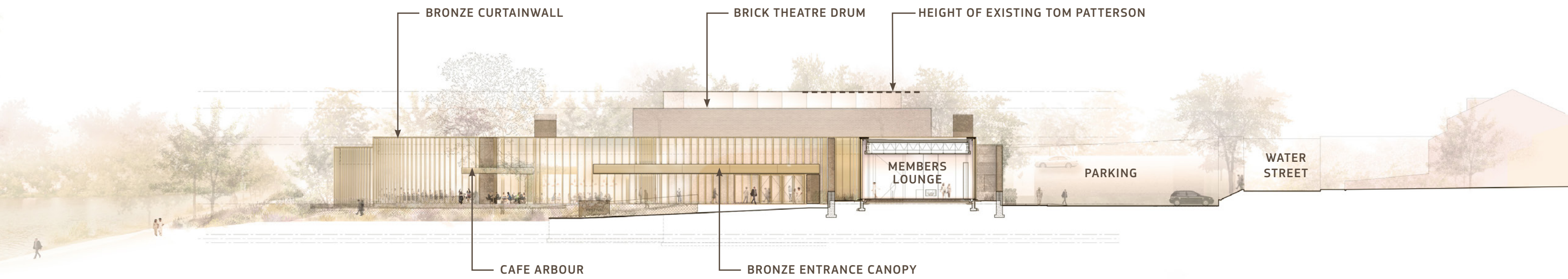
**GROSS FLOOR AREA ON 3 LEVELS =**  
 7,200 SM  
 77,500 SF



SECTION A

HARIRI PONTARINI  
ARCHITECTS

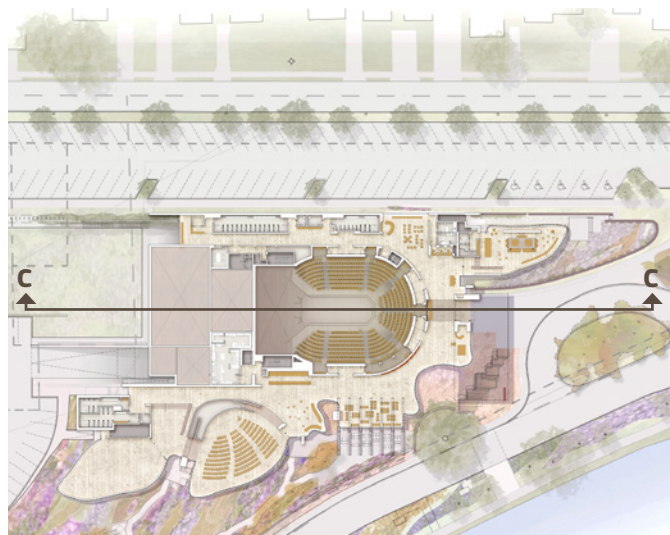
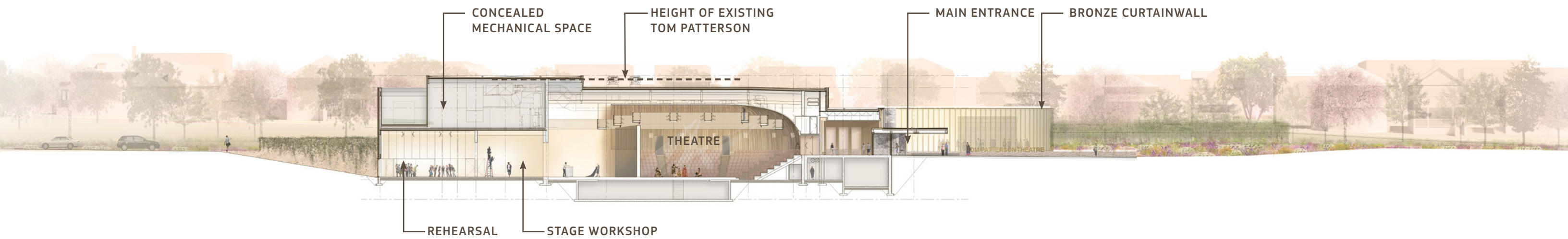
*Stratford*  
FESTIVAL



SECTION ELEVATION B

HARIRI PONTARINI  
ARCHITECTS

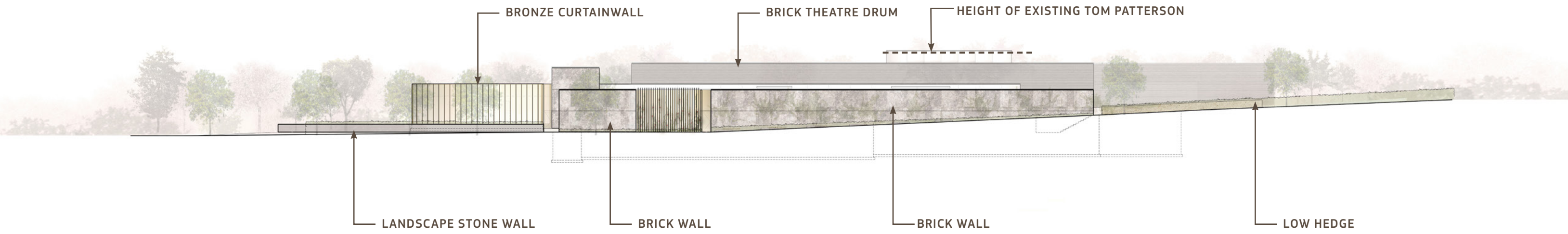




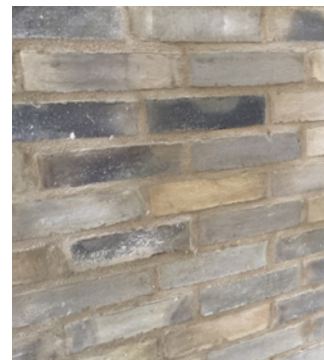
SECTION C

HARIRI PONTARINI  
ARCHITECTS

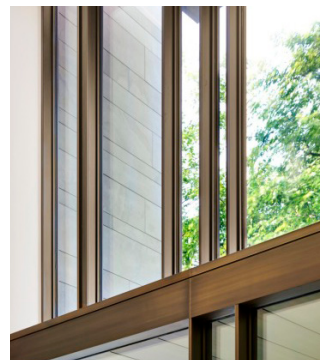
*Stratford*  
FESTIVAL



LIMESTONE



BRICK

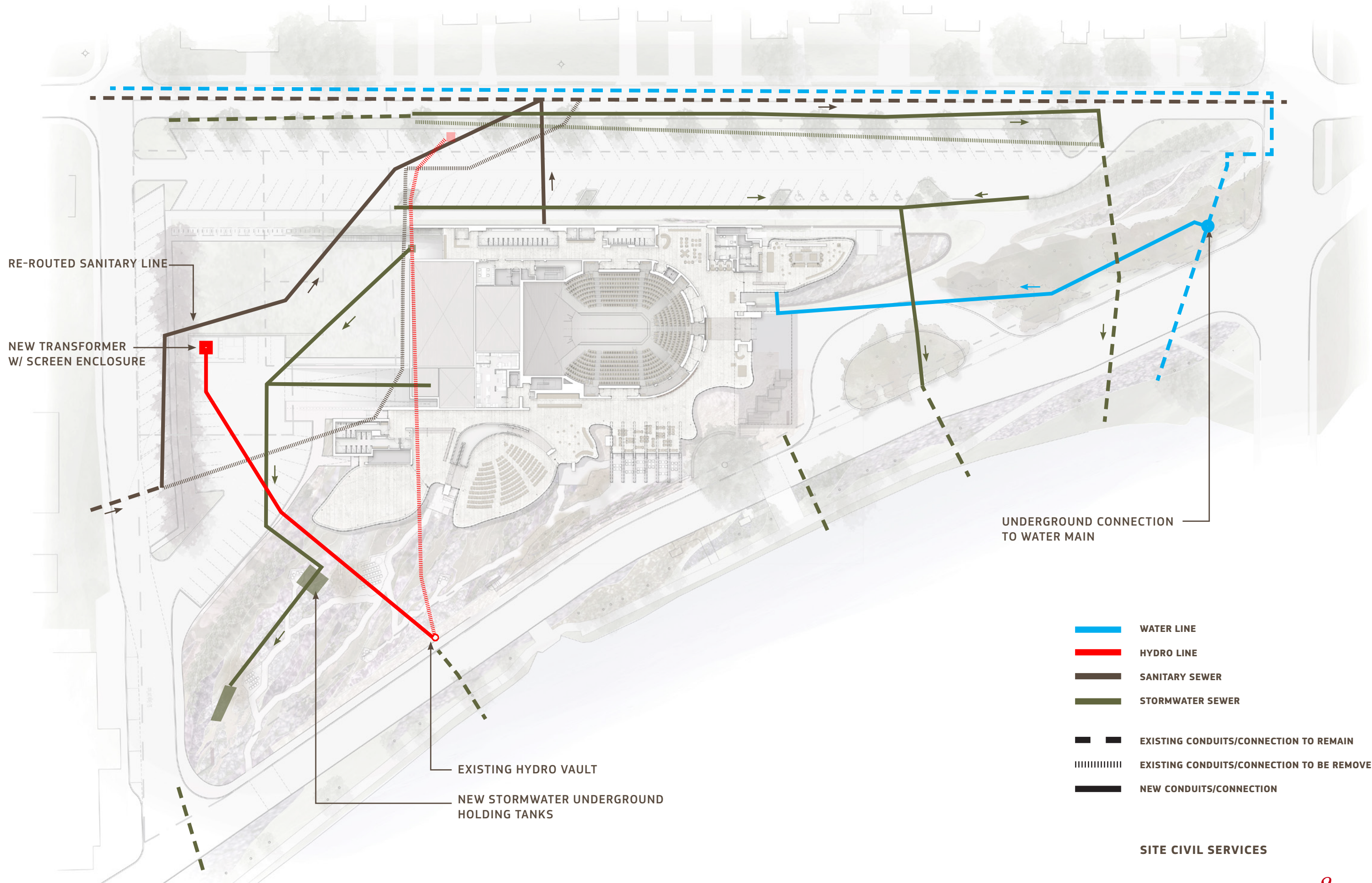


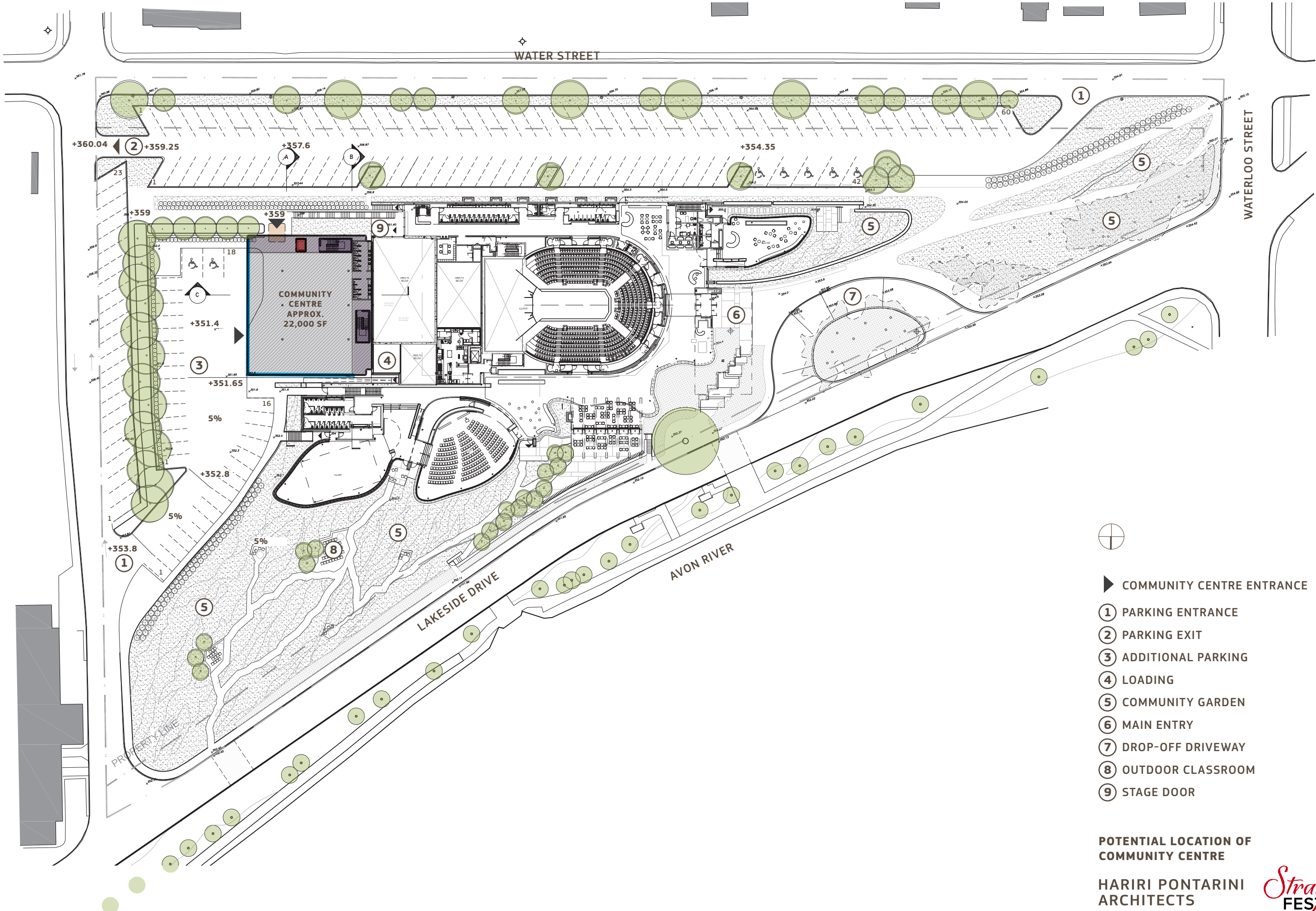
BRONZE

WATER STREET ELEVATION

HARIRI PONTARINI  
ARCHITECTS







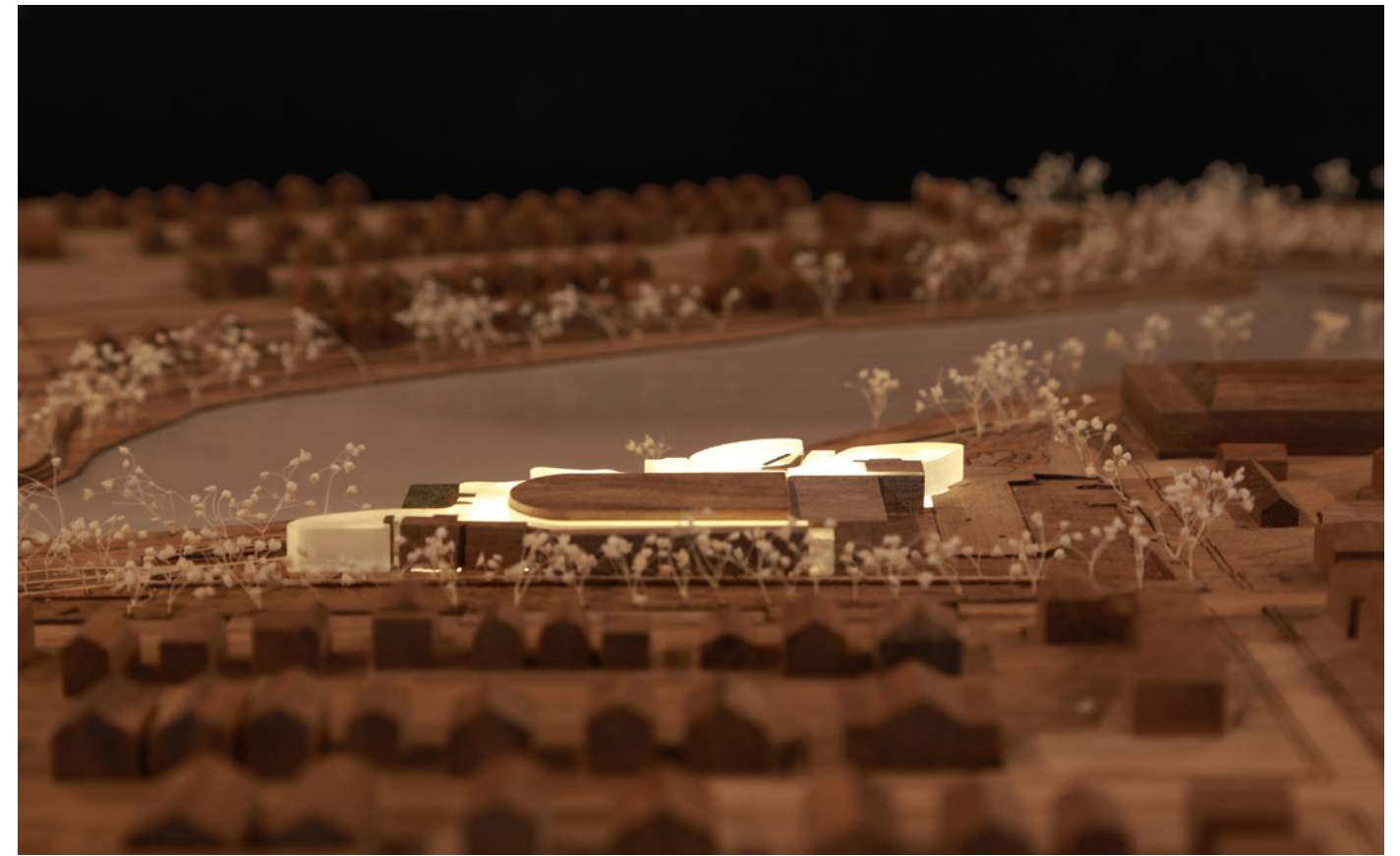
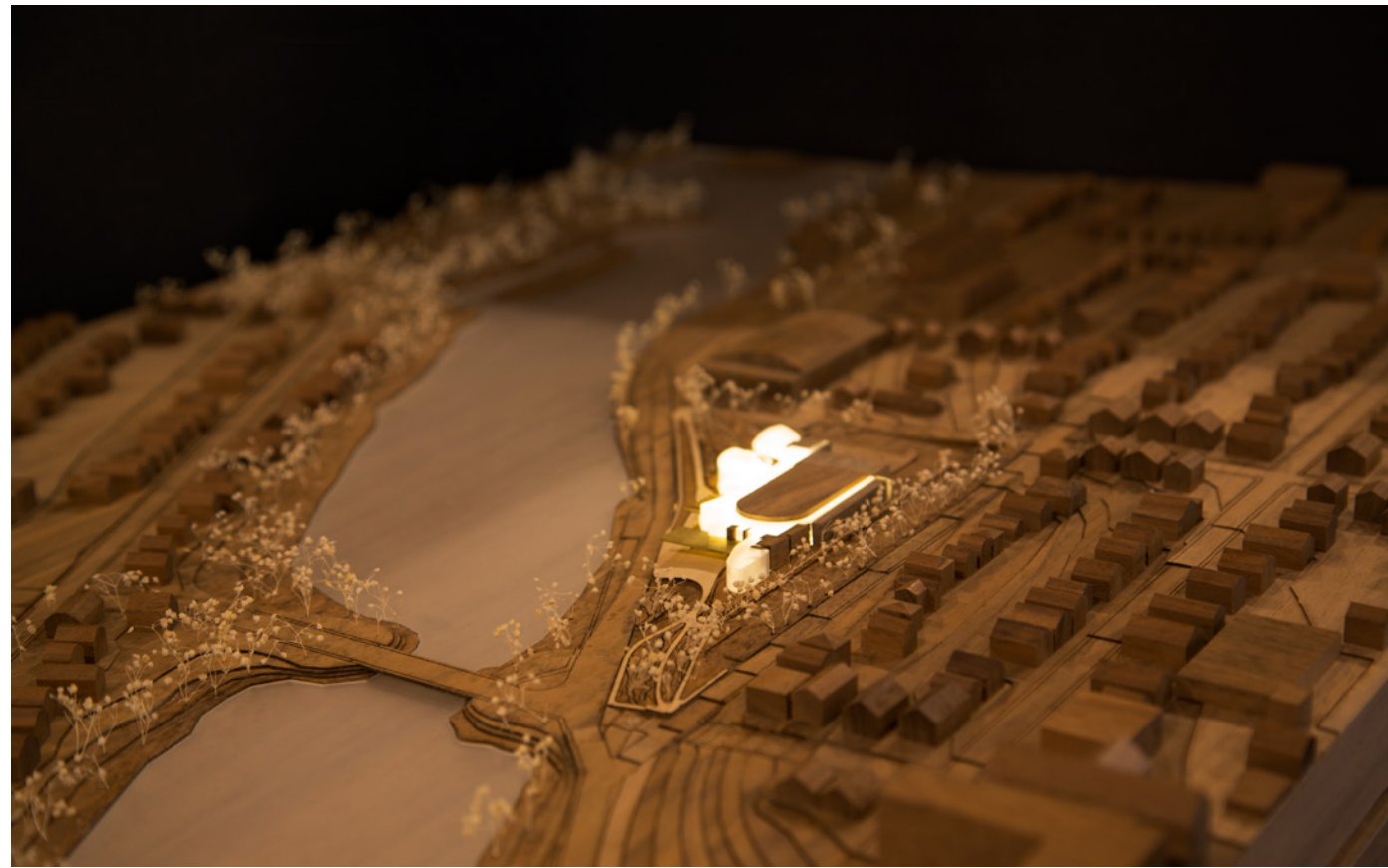
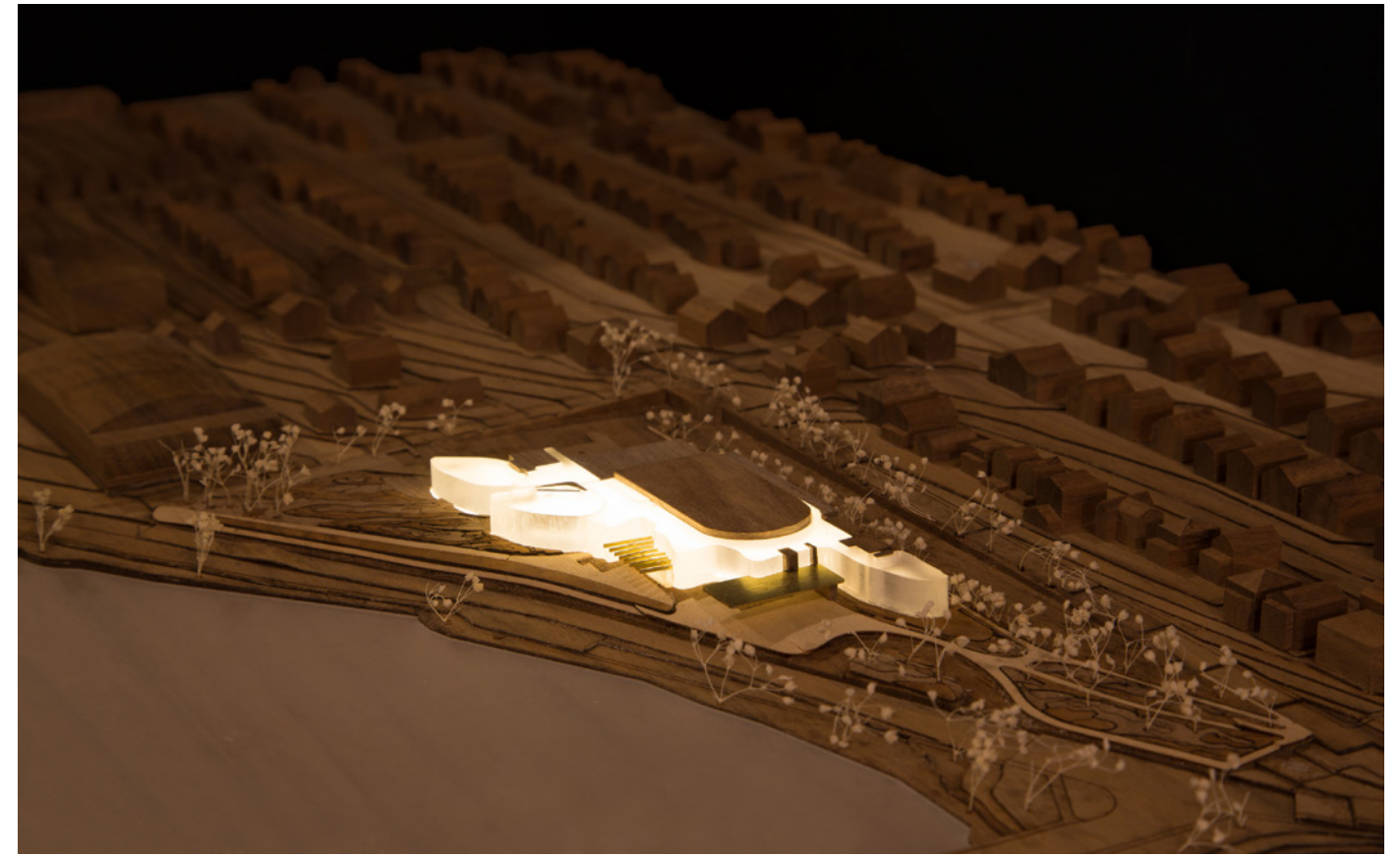
- ▶ COMMUNITY CENTRE ENTRANCE
- ① PARKING ENTRANCE
- ② PARKING EXIT
- ③ ADDITIONAL PARKING
- ④ LOADING
- ⑤ COMMUNITY GARDEN
- ⑥ MAIN ENTRY
- ⑦ DROP-OFF DRIVEWAY
- ⑧ OUTDOOR CLASSROOM
- ⑨ STAGE DOOR

POTENTIAL LOCATION OF  
COMMUNITY CENTRE

HARIRI PONTARINI  
ARCHITECTS



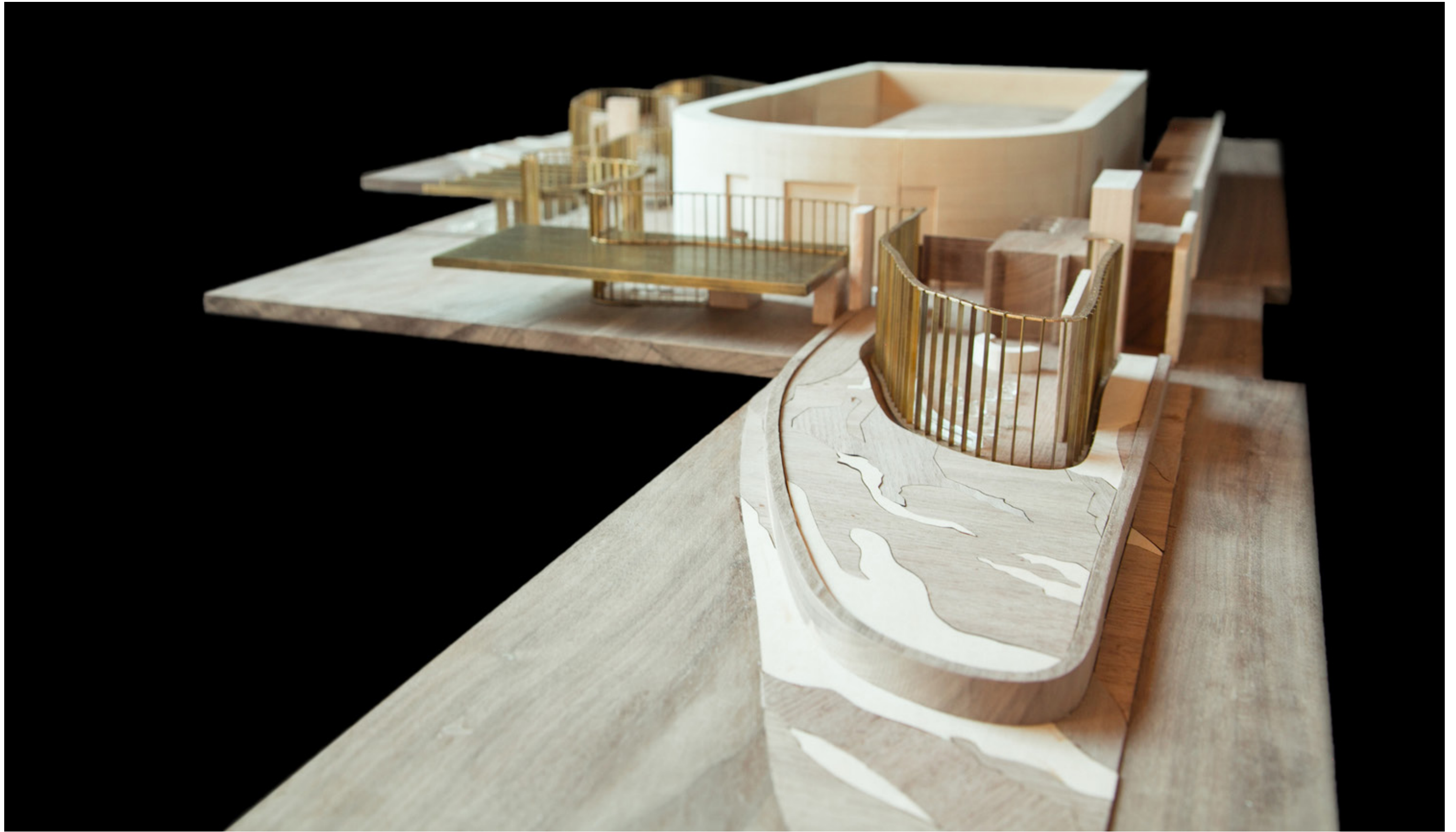






HARIRI PONTARINI  
ARCHITECTS

*Stratford*  
FESTIVAL



HARIRI PONTARINI  
ARCHITECTS

*Stratford*  
FESTIVAL

# Tom Patterson Theatre Redevelopment

Materials for the City of Stratford's Management Report

October 26, 2017

Here is some information to support the City of Stratford's Management Report in regards to the redevelopment of the Tom Patterson Theatre. I've addressed the items requested below . . .

- 1.) A copy of the most recent site plan. **Attached.**
- 2.) Acknowledgement that it continues to be refined (e.g. parking configuration, value engineering), but the plan remains substantively the same. **The project site plan is largely set.**
- 3.) The number of parking spaces on site now and how many would be on site when the redevelopment occurs. **130 parking spots today; 155 parking spots as part of the proposed development including four special access spots in front of the Allman Arena. Layout attached.**
- 4.) Gross floor area and uses within the spaces ( e.g. theatre, forum, SLAAA, practice space, etc.). **Attached. The addition (shown on slide 15) to include accommodation for SLAAA is not part of the base plan. We have explored the possibility of adding 22,000 square feet on three floors specifically for the SLAAA, which would trigger costs above and beyond those budgeted for the TPT redevelopment project. If the City would like the addition for the SLAAA included, the City could use the funds from the sale of the property towards such an addition.**
- 5.) Vehicular ingress and egress points. **Attached.**
- 6.) Pedestrian walkways. **Attached.**
- 7.) Green areas. **Attached.**
- 8.) How building massing has been lowered to fit the site and the area better, and commentary on the facades. **As seen in the attached sections, the existing grade changes on the site have been utilized to sink the massing into the grade as much as possible to keep the overall height lower. The roof has also been stepped to minimize areas of higher roof. All elevations of the building have been carefully considered and high quality materials including brick and stone are used. Wherever possible, landscape enhancements have been added to all sides of the site. All mechanical equipment is concealed and noise studies have been conducted to review all proposed equipment.**
- 9.) Other design and compatibility measures ( e.g. headlights not shining into adjacent residential neighbourhood, mechanical noise mitigation, light management (e.g. inward facing in parking areas, management of interior light being seen across the river), distribution of traffic with multiple vehicular access points, any traffic analysis you have undertaken). **Site lighting has been reviewed for "night sky" impact. Lighting is kept at low elevations where possible and minimized in many areas to provide only what is required for safety and security, especially along Water Street side. Bird-friendly glass design to minimize impact to local bird populations. Targeting LEED certification-targets energy savings, local materials, sustainable site development and water management. The project has maximized green space wherever possible, providing large areas of gardens with accessible paths, seating areas and views to the river.**

A traffic study was completed to review existing traffic patterns and impact of proposed parking and vehicular circulations, a number of suggestions have been implements to mitigate potential traffic increases around the Tom Patterson site. A dedicated drop-off driveway accessed from Lakeside Drive allows for accessible drop offs and bus circulation without interfering with cars accessing the parking spaces.

Parking has been separated into two lots. A one-way drive accessed from the west side of Water Street and exiting on to Morenz will avoid having cars exiting on water street avoiding potential issues with headlights into residences and congestion along Water Street. A second parking area at the north end of Morenz can be easily accessed from Lakeside Drive. Parking has been lowered in elevation and a tree line has been provided between Water street and the parking to screen view of parking from Water Street residences.

Slight re-alignment of Morenz allows for accessible layby spots in front of Allman Arena

Parking operations procedures have been suggested to prevent cars from backing up at entrance to south parking lot and subsequently onto Waterloo Street.

- 10.) Ongoing technical work ( e.g. soil testing to determine structural load bearing capacity, hydrology testing and permit to take water. We will refer to a recent instance in the city where a permit to take water has been issued for road/bridge work. In the coming months additional test pits will be required to finalize drainage and soil requirements. It will require a few days of work on site. Due to the proximity to the river and the amount of water under the site, a temporary dewatering permit has been submitted by MTE, which allows for removal of a certain amount of water during excavation. This may be mitigated by timing of excavation during the winter months.
- 11.) Sanitary sewer, water and storm hook –ups. Sanitary sewer relocation and utilities hook ups will be required as part of the construction process and have been noted on the attached drawings. This will be coordinated with utility companies and the city.
- 12.) Anything else that speaks to design excellence and compatibility with the area that is not in your higher level work ( info on the web site, including vision, which we have already incorporated into the report). Stratford Festival and the design team have given careful consideration of the potential impact of the new theatre on adjacent properties, waterfront amenities and local roads. The design has incorporated a number of features to help mitigate potential issues and provide visual enhancements and amenities for the Stratford community. Attached is an article from The Globe and Mail, dated August 30, 2017.

# Tom Patterson Theatre Project Timeline

**April to July 2016:** Stratford Festival conducts worldwide search for an architect for proposed Tom Patterson Theatre redevelopment

**May 2016:** Funding applications made to provincial and federal governments

**Sept. 1, 2016 to present:** Festival meets with senior City staff and Mayor about proposal

**Sept. 2016 to present:** Festival meets with neighbours and various stakeholders about proposal

**Oct. 22, 2016:** Festival's plans for new Tom Patterson Theatre announced in the media

**Oct. 24, 2016:** City Council directs staff to meet with Festival to gain full understanding of proposal, to examine future of Kiwanis Community Centre facilities and users and other potentially impacted activities, and to consider "community hub" concept

**March 25, 2017:** Vision for a new Tom Patterson Theatre announced at the Festival's annual general meeting

**May 29, 2017:** Province of Ontario pledges \$20 million to new Tom Patterson Theatre project

**July 25, 2017:** Letter from SLAAA executive in support of Community Hub concept, Agriplex as transition space for members should Festival project proceed

**Aug. 1, 2017:** Open House for SLAAA members at Kiwanis Community Centre to discuss Tom Patterson Theatre, Community Hub proposals

**Aug. 1, 2017:** Festival unveils proposed design for new theatre

**Sept. 11, 2017:** City Council re-confirms that no decision made on proposed Tom Patterson Theatre redevelopment, directs staff to conduct full technical site plan review, and organize public input meetings to gather community feedback

**Sept. 21 – Oct. 10, 2017:** Public feedback on proposed redevelopment accepted in person, online, via email, phone, mail, and at municipal service desks (deadline for public input extended from September 30 to October 10)

**Sept. 26, 2017:** Public input open houses held at Rotary Complex to gather feedback on proposal

**Aug. 2016 – ongoing:** Technical review of Festival's development proposal by City staff

**Oct. 9, 2017:** Letter from Stratford Lawn Bowling Club executive outlining preference for staying at current location, but support for City's proposal to relocate members to Stratford Municipal Golf Course

...

**Oct. 2017:** Festival still awaiting word on requested \$20 million in funding from federal government

**Oct. 23, 2017:** Public feedback scheduled to be presented to City Council

## ECONOMIC IMPACT

### Highlights

- Attract **50,000 more patrons** each year to the Festival, increasing overall attendance from **475,000 to 525,000**
- Generate an **incremental \$14 million in economic impact** each year above and beyond the current annual impact of \$133 million.
- Creation of **242** new permanent jobs in areas of Creative, Digital, Services and Tourism and **552** one-time construction jobs above and beyond the 2,300 (FTE's) generated today.

The following provides detailed overview of the anticipated economic impact from the newly constructed Centre.

<b>Economic Impact of the Tom Patterson Centre</b>			
<b>Category</b>	<b>2015 Season</b>	<b>2028 Season – 10 years post construction</b>	<b>Grown in Impact as the result of the Centre</b>
Economic Impact	\$133,360,000	\$147,397,895	\$14,037,895
GDP	\$148,000,000	\$163,578,947	\$15,578,947
Jobs (FTE)	2,300	2,542	242
Wages & Salaries	\$107,900,000	\$119,257,895	\$11,357,895
Taxes	\$56,200,000	\$62,115,789	\$5,915,789
Patrons	475,000	525,000	50,000

- Source is the Conference Board of Canada Study, dated March 2016

<b>Incremental Jobs as a result of the new Tom Patterson Centre</b>		
Construction	552	One-time Jobs
Creative	59	
Digital	8	
Service	15	
Tourism	161	
<b>TOTAL</b>	<b>242</b>	<b>Full time equivalent (FTE)</b>



AGREEMENT BETWEEN

THE CORPORATION OF THE CITY OF STRATFORD  
(Hereinafter called the "Landlord" of the First Part)

AND

THE STRATFORD SHAKESPEAREAN FESTIVAL OF CANADA  
(Hereinafter called the "Tenant" of the Second Part)

THIS AGREEMENT made this 31<sup>st</sup> day of March, 2008.

---

IN CONSIDERATION of the mutual covenants contained in this lease agreement, the parties agree as follows:

ARTICLE I  
DEFINITIONS

1.01 Defined Terms

"Additional Rent" means in addition to Basic Rent, any other amount payable by the Lessee under or pursuant to this Lease.

"Business Day" means any day which is not a Saturday, Sunday or a day observed as a statutory or civic holiday under the laws of the Province of Ontario or the federal laws of Canada applicable therein.

"Demised Premises" means that portion of the building known as the Kiwanis Community Centre Complex (the "Complex"), located at 48 Water Street, in the City of Stratford, in the county of Perth, in the Province of Ontario, more particularly described in the floor plan attached hereto as Schedule "A".

"HVAC System" means the heating, ventilating and air-conditioning facilities and the appurtenant equipment, installation and utilities therein used to heat, ventilate or air-condition the Demised Premises.

"Operating Costs" means the costs determined in accordance with generally accepted accounting principles which are incurred in connection with the operation, maintenance, repair, administration and management of the Complex. These costs include, without limitation or duplication:

- (a) The cost of supplies used in the Complex's washroom facilities, including toilet paper, paper towels, and soap; and
- (b) The cost of public utilities supplied to the Complex. For greater certainty, the Tenant's share of the cost of public utilities supplied to the Complex are more particularly described in Schedule "B" attached hereto.

Notwithstanding the foregoing, Operating Costs shall exclude:

- (a) Debt service;
- (b) Structural repairs or replacements;
- (c) Costs reasonably determined by the Landlord from time to time to be fairly allocable to the correction of initial construction faults, initial maladjustments in operating equipment, but only to the extent that such costs are recovered from the contractor or other responsible;
- (d) Any ground rent payable by the Landlord in respect of a lease of the land or part thereof;
- (e) Tenant improvement allowances, leasing commissions and leasing costs;

- (f) Any environmental remediation costs other than those costs resulting from the acts or omissions of the Tenant;
- (g) Any increase in the cost of the Landlord's insurance where such increase is specifically attributable to the use of the Complex by another tenant(s) or occupant(s) of the Complex;
- (h) Any fines or penalties incurred by the Landlord as a result of a violation of applicable laws (unless incurred on a reasonable basis as would a prudent owner), provided such violation was not caused or contributed by the Tenant or those for whom the Tenant is in law responsible;
- (i) Costs which would otherwise be included in Operating Costs but consist of any amount paid to a corporate affiliate, parent or subsidiary of the Landlord, to the extent that such amount is in excess of the fair market value of the said item or service; and
- (j) Costs relating to the enforcement of any provisions of any lease of any other tenant of the Complex.

"Shared Space" means the front lobby, front washrooms and front vestibule of the Complex as more particularly described in the floor plan attached hereto as Schedule "A".

## ARTICLE II INTERPRETATION

### 2.01 Number and Gender

Wherever the singular and the masculine are used throughout this Lease, the same shall be construed as meaning the plural or the feminine or neuter, where the context of the parties hereto requires.

### 2.02 Headings and Captions

The article numbers, section numbers, article headings and section headings are inserted for convenience or reference only and are not to be construed when interpreting any provision of this Lease, or its scope or intent.

### 2.03 Entire Agreement

This Lease contains all the representations, warranties, covenants, agreements, conditions and understandings between the Landlord and the Tenant concerning the Demised Premises or the subject matter of this Lease, and supersedes all prior agreements, statements, understandings, negotiations and discussions whether oral or written, between the parties in connection with this Lease.

## ARTICLE III DEMISE, TERM AND RENT

### 3.01 Demise

In consideration of the rents and covenants hereinafter stipulated to be paid and performed by the Tenant, the Landlord leases to the Tenant and the Tenant leases from the Landlord the Demised Premises for the Term (as hereinafter defined).

### 3.02 Term

In consideration of the rents and covenants to be paid and performed by the Tenant, the Tenant shall have the right to hold the Demised Premises for and during the term of twenty (20) years (the "Term") to be computed from March 31, 2008 (the "Commencement Date") and to be fully completed and ended on March 30, 2028 (the "Expiry Date"). Notwithstanding the foregoing, the Tenant shall have the unrestricted right to terminate this Lease on the fifth (5<sup>th</sup>), tenth (10<sup>th</sup>) and fifteenth (15<sup>th</sup>) anniversary of the Commencement Date, provided that the Tenant gives the Landlord written notice

of such termination at least six (6) months prior to the date upon which the Tenant intends to terminate this Lease.

**3.03 Basic Rent**

The Tenant covenants to pay to the Landlord, from and after the Commencement Date, annual rent (the "Basic Rent") for the Demised Premises without deduction, abatement or set-off, which shall be payable in equal consecutive monthly instalments, in advance, on the first day of each and every month in accordance with the table set out in Schedule "C" attached hereto.

**3.04 Additional Rent**

In addition to the Basic Rent, the Tenant shall be responsible for paying to the Landlord as Additional Rent, the Tenant's proportionate share of Operating Costs. In that regard, the Tenant agrees to reimburse the Landlord upon receipt of an invoice for the Operating Costs that have been paid for by the Landlord. For greater certainty, the Tenant shall only be responsible for its share of the cost of public utilities supplied to the Complex as more particularly described in Schedule "B" attached hereto. All amounts not paid as provided by this Article may be collected by the Landlord as rent in arrears and charged to the Tenant in accordance with Section 5.11 of this Lease.

**3.05 Net Lease**

It is the intention of the parties that the rent herein provided to be paid shall be net to the Landlord and clear of all taxes (excepting the Landlord's income taxes) costs and charges arising from or relating to the Demised Premises and, subject to Sections 6.02 and 6.14 herein, that the Tenant shall pay all charges, impositions, and expenses of every nature and kind relating to the Demised Premises, and the Tenant hereby covenants with the Landlord accordingly.

**ARTICLE IV  
USE OF THE DEMISED PREMISES**

**4.01 Use**

- (a) The Demised Premises and Shared Space may be used by the Tenant for the purposes of live theatre performances and ancillary activities thereto and for no other purpose without the Landlord's prior written consent not to be unreasonably withheld or delayed. As ancillary to such use, the Demised Premises and the Shared Space may be used for:
  - i. the sale of alcoholic beverages;
  - ii. the sale or distribution of merchandise to the patrons of the Demised Premises, including, without limitation, the sale or distribution of souvenirs and/or publications related to theatrical performances; and
  - iii. such other purposes as the Landlord and Tenant mutually agree to in writing from time to time.
- (b) The hours and days of operation of the Demised Premises shall be such as mutually agreed upon from time to time by the Landlord and the Tenant acting reasonably. The Landlord acknowledges that the hours of operation of the Demised Premises may not coincide with those of the remainder of the Complex.

**4.02 Access**

It is understood and agreed that subject to emergency measures, relevant by-laws and snow removal requirements, the Tenant, its employees and invitees shall have the right 24 hours a day, seven days a week throughout the Term to have access to the Demised Premises, the Shared Space and the Parking Facility (as hereinafter defined) and to use the Shared Space for their intended purposes in common with others entitled thereto.

**4.03 Parking**

The Tenant shall at all times during the Term have access to all parking spaces in the public parking facility (the "Parking Facility") immediately adjacent to the Complex, as more particularly described in Schedule "D" attached hereto, for the non-exclusive use of the Tenant, its employees, patrons, customers, prospective customers and invitees, licensees, and all other individuals having business with the Tenant.

**4.04 Storage Facility**

The Tenant shall have the exclusive use of the storage area (the "Storage Facility") on the second floor of the Complex, as more particularly described in Schedule "A" attached hereto. The Tenant will insure, at its own cost, all contents of the Storage Facility.

**4.05 Shared Space**

The parties hereto expressly acknowledge and agree that the Tenant shall be provided with non-exclusive use of the Shared Space during the Term. The Shared Space may also be used by the Landlord and other tenants of the Complex. It is further acknowledged and agreed that under the Landlord's supervision, the public shall be granted access to the Shared Space.

**4.06 Line-Ups**

The Tenant shall endeavour to maintain line-ups of patrons within the Demised Premises but shall be entitled to permit line-ups outside the Demised Premises, as reasonably required.

**4.07 Box Office / Ticket Booth**

It is understood and agreed that the Tenant's box office / ticket booth is located in the Shared Space, and that the Tenant shall have exclusive use of the box office / ticket booth during and two (2) hours prior to the Tenant's scheduled performance times.

**ARTICLE V  
TENANT COVENANTS**

THE TENANT COVENANTS WITH THE LANDLORD AS FOLLOWS:

**5.01 Business and Other Taxes**

To pay its own business and other taxes, charges, rates, duties, and assessments levied in respect of the Tenant's use and occupancy of the Demised Premises or in respect of the personal property or business of the Tenant on the Demised Premises as and when the same become due.

**5.02 Utilities**

- (a) To pay all charges for water, electricity, gas, telephone and all other utilities supplied exclusively to the Demised Premises. If there are no separate meters for measuring consumption of such utilities, the Tenant shall pay to the Landlord its proportionate share as may be reasonably estimated by the Landlord from time to time, to be adjusted at the end of each lease year by the Landlord to reflect the actual amount consumed by the Tenant. For greater certainty, the Tenant's share of utility charges is more particularly set forth in Schedule "B" attached hereto.
- (b) The Landlord shall not be liable to the Tenant in damages or otherwise for an interruption of failure in the supply of any utility or services to the Demised Premises unless caused by the negligence of the Landlord, or a person whose negligence the Landlord is responsible in law.
- (c) The Tenant shall not install any equipment which will exceed or overload the capacity of any service or any mechanical facilities in or serving the Demised Premises including sewers and drains and the Tenant will not bring into the Demised Premises or install any utility, electrical or mechanical facility or service

without the Landlord's prior approval not to be unreasonably withheld or delayed. The Tenant agrees that if any of the Tenant's equipment requires additional service, electrical or mechanical facilities or capacity the Landlord may, in its sole discretion, elect to install them at the Tenant's expense and in accordance with plans and specification to be approved in advance in writing by the Landlord, not to be unreasonably withheld or delayed.

**5.03 Insurance**

- (a) To protect itself and indemnify and save the Landlord harmless from any and all claims which may arise from the Tenant's operations where bodily injury, death or property damage is caused, and shall, without restricting the generality of the foregoing, maintain insurance acceptable to the Landlord, subject to limits of liability of not less than \$5,000,000.00;
- (b) To maintain Commercial General Liability insurance covering the Demised Premises and operations, products and completed operations and coverage with respect to all operations including sub-contractors and automobile liability insurance;
- (c) All liability insurance policies shall be written in the name of the Tenant and Landlord, and shall be subject to a Cross Liability Clause. The Tenant agrees to provide to the Landlord a Certificate of Insurance in compliance with the above each year during the term of this contract. All Insurers shall be licensed to carry on business in the Province of Ontario and shall be acceptable to the Landlord;
- (d) To maintain all other forms of insurance that a prudent similar business would carry, including but not limited to Boiler insurance;
- (e) To maintain Tenants Legal Liability insurance with limits of not less than three million dollars (\$3,000,000.00);
- (f) To maintain such insurance and pay such assessments as will protect it and the Landlord from claims under the *Occupational Health and Safety Act*.

**5.04 Nuisance and Garbage**

Not to cause, permit or suffer any unusual or objectionable noises or odours to emanate from the Demised Premises, or its use of the Shared Space including, but not limited to, nuisance that may increase the cost of the insurance upon the Demised Premises.

The Tenant, at its sole cost, shall be responsible for the removal and disposal of all garbage, debris, trash and refuse from the Demised Premises in a manner acceptable to the Landlord.

**5.05 Repair and Restoration of the Demised Premises on Termination**

Upon the expiration or earlier termination of the Lease, the Tenant shall be required to remove from the Demised Premises the Tenant's moveable fixtures, which include the Tenant's stage lighting equipment, the performance stage and the bleacher seating, and shall leave the Demised Premises in a neat and clean condition, free and clear of all waste material and rubbish. If the above noted work has not been completed as described, the Landlord may carry out such work as agent of and at the expense of the Tenant and the Tenant shall pay to the Landlord all reasonable costs and expenses incurred in doing so. Subject to the foregoing, upon the expiry or earlier termination of this Lease, the Tenant shall be permitted to abandon all alterations, additions and improvements to any part of the Demised Premises and shall not be required to bring the Demised Premises to base building standard.

**5.06 Pest Control**

To keep the Demised Premises free from vermin and to obtain and pay for any pest control services as may be needed from time to time for the Demised Premises.

**5.07 Repairs**

To carry out promptly, at its own expense, all repairs, maintenance and painting of the said Demised Premises so as to keep the Demised Premises in the same condition and in a good state of repair and condition as they are in on the Commencement Date, reasonable wear and tear, structural damage and damage by fire, lightening and tempest only excepted.

The Landlord shall at all times during the Term maintain and repair or cause to be maintained and repaired as would a prudent owner of a reasonably similar building, the structure of the Complex.

**5.08 Repair Where the Tenant at Fault**

Notwithstanding any other terms, covenants and conditions in this Lease, if the Demised Premises or any part thereof including, without limitation, the Shared Space and facilities (including those shared areas and facilities within or passing through the Demised Premises), or any equipment, machinery, facilities or improvements contained therein or made thereto, or any structural portion of the Demised Premises become damaged or destroyed through the negligence, carelessness or misuse of the Tenant or through it in any way stopping up or damaging the heating apparatus, water pipes, drainage pipes or other equipment or facilities or part of the Demised Premises, the cost of the resulting repairs, replacements or alterations plus a sum equal to fifteen (15%) percent of the cost thereof representing the Landlord's overhead shall be paid by the Tenant to the Landlord forthwith upon presentation of an account of such expenses incurred by the Landlord.

**5.09 Alterations and Improvements**

The Tenant shall not make any repairs, alterations, replacements, decorations, additions or improvements to any part of the Demised Premises without first obtaining the Landlord's written approval not to be unreasonably withheld. The Tenant shall submit to the Landlord:

- (a) details of the proposed work including drawings and specifications prepared by qualified architects or engineers and conforming to good engineering practice;
- (b) such indemnification against liens, costs, damages and expenses as the Landlord reasonably requires; and
- (c) evidence satisfactory to the Landlord that the Tenant has obtained, at its expense, all necessary consents, permits, licenses and inspections from all governmental and regulatory authorities having jurisdiction.

All such repairs, alterations, replacements, decorations, additions or improvements by the Tenant to the Demised Premises approved by the Landlord shall be performed:

- (d) at the sole cost of the Tenant;
- (e) by competent workmen whose labour union affiliations are compatible with others employed by the Landlord and its contractors;
- (f) in a good and workmanlike manner;
- (g) in accordance with the drawings and specifications approved by the Landlord acting reasonably; and
- (h) subject to the reasonable regulations, controls and inspection.

All such repairs, alterations, replacements, decorations, additions or improvements made by the Tenant, or made by the Landlord on the Tenant's behalf (other than the Tenant's trade fixtures, lighting equipment, the performance stage and the bleacher seating), shall immediately become the property of the Landlord upon affixation or installation, without compensation therefore to the Tenant. Such repairs, alterations, decorations, additions or improvements shall not be removed from the Demised Premises either during or at the expiration or earlier determination of the Term except that:

(i) the Tenant may during the Term in the usual or normal course of its business and with the prior written consent of the Landlord not to be unreasonably withheld remove its trade fixtures, provided such trade fixtures have become excess to the Tenant's requirements or the Tenant is substituting new and similar trade fixtures therefore; and provided that in each case:

- (i) the Tenant is not in default under this Lease;
- (ii) such removal is done at the Tenant's sole cost and expense; and
- (iii) the Tenant shall, at the expiration or earlier determination of the Lease, at its own cost, remove all its trade fixtures as the Landlord requires to be removed, acting reasonably.

For greater certainty, the Tenant's trade fixtures shall not include any of the following:

- (j) the HVAC System serving the Demised Premises;
- (k) floor coverings affixed to the floor of the Demised Premises;
- (l) existing light fixtures; or
- (m) partitions within the Demised Premises, all of which are deemed to be leasehold improvements.

Notwithstanding the foregoing, the parties hereto acknowledge and agree that the Tenant shall be permitted at its sole cost and expense to renovate and expand the lobby of the Complex to accommodate additional washroom facilities in the Shared Space (the "Lobby Improvements"). The Lobby Improvements shall be subject to: (i) the Tenant obtaining the Landlord's written approval of the Tenant's plans and specifications, said approval not to be unreasonably withheld or delayed; and (ii) the Tenant complying with all requirements of applicable municipal by-laws, building codes and fire, health and other regulations and all other relevant provincial and federal legislation and regulations thereunder. The Lobby Improvements, when approved by the Landlord, shall be effected by contractors selected and engaged by the Tenant and approved by the Landlord, which approval shall not be unreasonably withheld or delayed.

#### **5.10 Heating Ventilating and Air Conditioning**

To the best of its knowledge, information and belief, the Landlord represents that all HVAC equipment will be in good working order, on or before the Commencement Date. Where the HVAC System services only the Demised Premises, the Tenant shall, throughout the term of this Lease, operate and regulate heating, ventilating and air-conditioning equipment within and serving the Demised Premises in such a manner as to maintain reasonable conditions of temperature and humidity within the Demised Premises. The Tenant shall comply with all reasonable rules and regulations of the Landlord pertaining to the operation and regulation of such equipment. If the Tenant fails to comply with such rules and regulations, the Landlord shall be entitled to take such steps as it deems advisable to correct such defaults (including, without limitation, entering upon the Demised Premises and assuming control of such equipment) without liability to the Tenant, and the Tenant will pay the Landlord forthwith on demand as Additional Rent all reasonable costs and expenses incurred by the Landlord in so doing.

- (a) The Tenant shall be solely responsible for obtaining a maintenance contract for the HVAC System and covenants and agrees to use its best efforts to have all regularly scheduled maintenance carried out promptly and efficiently. Notwithstanding the foregoing, the Landlord shall not be liable for any inconvenience caused to the Tenant, its agents, servants or employees or for any loss or damage that may result to the Tenant's merchandise, fixtures or other property, or to the Tenant's business by reason of such maintenance, howsoever caused.
- (b) Where the HVAC System requires repair or replacement (other than a complete replacement of the HVAC System), the Tenant shall, in each instance, make such repair or replacement at its expense, in an amount not to exceed \$5,000.00 and

notify the Landlord in writing of such repair or replacement. The Landlord shall be responsible for paying to the Tenant any cost to repair or replace the HVAC System over and above the Tenant's aforementioned maximum contribution.

Notwithstanding anything contained in this Section 5.10, the Tenant shall not be responsible for the complete replacement of the HVAC System. The parties hereto acknowledge and agree that the Landlord will be responsible for the complete replacement of the HVAC System at its sole cost and expense. If the HVAC System requires a complete replacement, the Tenant agrees that the doing of such replacement by the Landlord will not be a re-entry or breach of any covenants for quiet enjoyment.

**5.11 Arrears in Payments on Behalf of Tenant**

That when and so often as it shall neglect or omit to pay after ten (10) days written notice from the Landlord, any water, gas or electric rates, telephone charges, business or other taxes, or any other amount, which in accordance with the terms and provisions hereof, is payable by the Tenant, the Landlord may pay the same on the Tenant's behalf and the sum equal to the amount so paid shall forthwith become due and payable to the Landlord as if the same were rent in arrears. All arrears of rent and payments made by the Landlord as aforesaid shall bear interest at the rate of two percent (2%) per month.

**5.12 Compliance with Legislation**

To observe and fulfill the lawful provisions and requirements of all statutes, by-laws, rules and regulations, municipal, provincial or federal, relating to the Demised Premises.

**5.13 Maintenance of Records**

Recognizing that the lands, buildings and fixtures are solely owned by the Landlord, the Tenant covenants that it will always maintain proper books of account and will make those books available to the Landlord upon request at a mutually convenient time to the parties hereto.

**ARTICLE VI  
GENERAL COVENANTS**

**6.01 Taxes and Insurance**

The Landlord agrees to pay any municipal taxes assessed and the fire insurance costs on the Demised Premises.

**6.02 Snow Removal**

The Landlord agrees to remove all snow and ice from the roof (if necessary) and all entrances and public walkways of the Complex during the Term at its sole cost and expense.

**6.03 Re-entry**

The Tenant agrees that the Landlord has the right of re-entry on non-payment of rent or non-performance of covenants, subject to the provisions of this Lease.

**6.04 Right of Entry to Perform Covenants**

If the Tenant shall default in the performance of any covenant in this Lease (except the covenant to pay rent) and if such default shall continue for ten (10) Business Days after written notice thereof to the Tenant, the Landlord may perform such covenant on the Tenant's behalf and may enter the Demised Premises for that purpose and shall not be liable to the Tenant for any loss or damage to the Tenant's stock or business so caused. If the Landlord at any time is compelled or reasonably elects to incur any expense including legal fees as a result of a default of the Tenant under this Lease (including any action or proceeding against the Tenant), any reasonable sum including legal costs so paid by the Landlord, together with all interest and damages, shall be payable by the Tenant on demand as Additional Rent.



#### 6.05 Bankruptcy and Seizure

That if during the Term any of the goods and chattels of the Tenant are seized or taken in execution or in attachment by any creditor of the Tenant, or if a Writ of Execution shall be issued against the goods and chattels of the Tenant and remain unsatisfied for ten (10) Business Days, or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale or shall be adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force or shall take the benefit of any act that may be in force for bankrupt or insolvent debtors or shall attempt to abandon the Demised Premises or to sell or dispose of its goods and chattels so that there would not remain after such sale or disposal sufficient distress on the Demised Premises, in the opinion of the Landlord, for the then accruing rent together with the rent for the said six (6) months next ensuing shall immediately become due and payable, and the Term shall, at the option of the Landlord forthwith be terminated and in each of the above cases, such accelerated rent and additional rent shall be recoverable by the Landlord as if it were rent in arrears.

If the Tenant removes any of its goods and chattels from the Demised Premises, the Landlord may follow them for thirty (30) clear days in the manner provided in the *Commercial Tenancies Act*, R.S.O. 1990, Chapter L.7 (the "Act"). The Tenant covenants with the Landlord in consideration of the making of this Lease that despite anything contained in the Act none of the goods and chattels of the Tenant on the Demised Premises are exempt from levy by distress for rent in arrears, and that upon a claim being made by the Landlord, this Section may be pleaded as an estoppel against the Tenant in an action brought to test the right to levy upon goods named as exempted.

#### 6.06 Enter Premises

The Landlord or its agent, at all reasonable times may enter upon and view the state of repair of the Demised Premises and the Tenant agrees to comply with all reasonable requirements of the Landlord with regard to the care, maintenance, and repair thereof, to the extent that the Tenant is responsible under the Lease for such care, maintenance and repair.

#### 6.07 Signs

The Tenant shall have the right to erect a sign or signs in, on or around the Complex setting out the name and business of the Tenant, provided that it shall have first obtained the Landlord's consent in writing, not to be unreasonably withheld or delayed, as to the specifications and location thereof and provided the sign or signs conform to all municipal regulations and by-laws.

#### 6.08 Holdover

In the absence of any new agreement to the contrary, any holdover after the end of the Term herein conveyed or any extension or renewals thereof shall be construed to be a tenancy from month to month, at the same rental and on the same terms as specified herein.

#### 6.09 Remedies of Landlord Cumulative

The waiver by the Landlord of the Tenant of a break of a term, covenant or condition of this Lease will not be considered to be a waiver of a subsequent breach of the term, covenant or condition or another term, covenant or condition. The subsequent acceptance of rent by the Landlord will not be considered to be waiver of a preceding breach by the Tenant of a term, covenant or condition of this Lease, and regardless of the Landlord's knowledge of the preceding breach of this Lease it will not be considered to have been waived by the Landlord or by the Tenant unless the waiver is in writing signed by the Landlord or by the Tenant, as the case may be.

#### 6.10 Sublet or Assign

The Tenant will not, in any event, assign or transfer its interest in this Lease or the Demised Premises or any part thereof, or any of the chattels and/or fixtures contained

therein, or permit a sale in bulk, nor will it sublet all or any part of the Demised Premises, or suffer or permit the occupation of, or part with or share possession of all or any part of the Demised Premises without prior written consent of the Landlord, not to be unreasonably withheld. Notwithstanding the foregoing, the Tenant shall be entitled to, without the consent of the Landlord, but upon prior written notice to the Landlord, assign, sublet or transfer the Tenant's interest in this Lease to an "Affiliate" of the Tenant as defined in the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended.

#### **6.11 Corporate Ownership – Change of Control**

If at any time during the Term any part of the corporate shares of the Tenant or of any associated, affiliated or parent company of the Tenant shall be transferred or issued by sale, assignment, or operation of law or other disposition or by subscription, other than as the result of death, so as to result in a change in the present effective voting control of the Tenant by the person or persons holding such voting control on the date of this Lease, the Tenant shall promptly notify the Landlord in writing of such intended change, and the provisions of Section 6.10 respecting sublet or assignment shall be deemed to apply to such corporate transfer. The Landlord may require the Tenant to provide, from time to time, a statutory declaration from the principals of the Tenant as to the effective voting control of the Tenant.

#### **6.12 Destruction of Premises**

If during the Term or any renewal thereof the Demised Premises or the Complex shall be destroyed or damaged by fire or the elements then the following provisions shall apply:

- (a) If the Demised Premises shall be so badly injured as to be unfit for occupancy, and as to be incapable of being repaired with reasonable diligence within one hundred and twenty (120) days of the happening of such injury, then the Term shall cease and be at an end to all intents and purposes from the date of such damage or destruction, and the Tenant shall immediately surrender same, and yield up possession of the Demised Premises to the Landlord and the rent from the time of such surrender shall be apportioned.
- (b) If the Demised Premises shall be capable, with reasonable diligence, of being repaired and rendered fit for occupancy within one hundred and twenty (120) days from the happening of injury such as aforesaid, but if the damage is such as to render the Demised Premises wholly unfit for occupancy for the purpose of a theatre, then the rent hereby reserved shall not run or accrue after such injury, or while the process of repair is going on, and the Landlord shall repair the same with all reasonable speed, and the rent shall recommence immediately after such repairs shall be completed.
- (c) If the Demised Premises shall be repaired within one hundred and twenty (120) days as aforesaid, and if the damage is such that the same Demised Premises are capable of being partially used for the purposes of a theatre, the rent shall abate in the proportion that the part of the Demised Premises rendered unfit for occupancy bears to the whole of the Demised Premises.

#### **6.13 Operation of the Complex**

The Landlord agrees to continuously, actively and diligently operate and maintain the Complex, as would a prudent owner of a similar development.

#### **6.14 Capital Repairs and Replacements**

The Landlord agrees to carry out, at its sole cost and expense, all capital repairs or replacements required for the Demised Premises and the Shared Space, including roof repairs, inherent structural defects, other structural repairs and replacements, and other repairs and replacements of a capital nature that are not contemplated in Section 5.07.

#### **6.15 Performance Disruptions by Other Tenants of the Complex**

If during scheduled performance times, other tenants of the Complex create noise that disturbs the Tenant or the Tenant's patrons or disrupts or in any way interferes with the

Tenant's theatrical performances, the Tenant shall notify the Landlord of such disturbance or disruption. Upon receiving notice of such disturbance or disruption, the Landlord shall use reasonable efforts to prevent the tenant(s) of the Complex from creating such noise or disturbance.

**6.16 Quiet Enjoyment**

The Landlord covenants that the Tenant shall have quiet enjoyment of the Demised Premises during the Term and any renewals or extensions thereof, provided that the Tenant pays all amounts when due and owing to the Landlord, as hereinbefore set forth, and keeps, observes and performs all of the other covenants and provisions as required by this Lease.

**ARTICLE VII  
MISCELLANEOUS**

**7.01 Amendments to the Lease**

Any amendments to this Lease or matters which might arise that have not specifically been covered herein, may be incorporated into this Lease, upon mutual agreement of the Parties hereto, by means of a supplementary agreement in writing and signed by the parties hereto.

**7.02 Renewal of Lease**

Provided the Tenant is not in default under the terms of this Lease, the Landlord hereby grants to the Tenant the additional right, privilege and option to extend the Term, from the Expiry Date for one (1) additional term of five (5) years upon giving notice of its intention to extend to the Landlord at least six (6) months prior to the expiration of the Term. In the event of the exercise of the aforesaid option, such extension of this Lease shall be on the same terms and conditions as contained herein, except for any future right of extension and provided that the rent to be paid during any such extension term shall be mutually agreed upon between the parties hereto and failing such agreement, at least three (3) months prior to the expiration of the Term, such rent shall be determined by arbitration in accordance with the *Arbitration Act* (Ontario), 1991, S.O. 1991, c.17, as amended, and shall be based upon the fair market rental value of the Demised Premises for the use contemplated herein.

**7.03 Termination of Lease**

In the event the Tenant becomes insolvent or is in violation of any municipal or provincial legislation, the Landlord shall give written notice to the Tenant to remedy the violation and the Tenant shall rectify such violation within thirty (30) days of receipt of notice, failing which the Landlord may terminate this Lease forthwith.

Notwithstanding the foregoing, both the Landlord and the Tenant shall have the absolute and unrestricted right to terminate this Lease on December 31 of any calendar year of the Term, provided the party seeking to terminate the Lease provides the other party with at least twelve (12) months written notice of such termination.

**7.04 Indemnification**

The Tenant shall indemnify and save the Landlord harmless from and against all actions, suits, claims and demands which may be brought against or made upon the Landlord and from all loss, costs, charges and expenses which may be incurred, sustained or paid by the Landlord resulting from this Agreement, except to the extent that such loss, costs, charges and expenses are caused by the negligence of the Landlord or those for whom the Landlord is at law responsible. The Landlord shall indemnify and save the Tenant harmless from any damage, loss and expenses to property or persons caused by the negligence or malfeasance of the Landlord or those for whom the Landlord is at law responsible.

**7.05 Notice**

All notices which it may be necessary or proper for either party to serve upon the other shall be delivered by hand, facsimile transmission (fax) or mailed, and if mailed, sent by registered post, postage prepaid as follows:

If to the Landlord:           City of Stratford  
  1 Wellington Street  
  Stratford, Ontario N5A 6W1  
  Attn: Director of Community Services  
  Fax: (519) 271-1586

If to the Tenant:             The Stratford Shakespearean Festival  
  P.O. Box 520  
  Stratford, Ontario N5A 6V2  
  Attn: General Director  
  Fax: (519) 271-2734

All notices so mailed shall be deemed to be received on the fourth (4<sup>th</sup>) Business Day after mailing. All notices sent by fax, shall be deemed to be received on the day of faxing, provided that such day is a Business Day and notice is faxed prior to 4:30 p.m. (Eastern Standard Time) on such day; otherwise such notice shall be deemed to have been given or received on the next Business Day.

Each party may from time to time specify in writing a new address to which any such notice shall thereafter and until further notice be sent.

Should any questions arise concerning the enforcement or understanding of any covenants or terms contained in this Agreement, the Landlord shall contact the General Director for the Tenant, and the Tenant shall contact the Director of Community Services of the Landlord, or their respective designates.

**7.06 Notice of Lease**

The Landlord agrees that Tenant shall be entitled at its expense to register this Lease or a short-form notice thereof on title. Upon request of the Tenant, the Landlord will join with the Tenant in the execution of a notice or short form of lease or other documentation required for registration purposes in connection with said notice or short form of lease.

**7.07 Successors**

It is agreed by the parties hereto that this Lease and all of the terms and provisions contained herein shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns subject to the requirement that this Lease may not be assigned by the Tenant except in accordance with the terms set forth herein.

**7.08 Governing Law**

This Lease shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

**7.09 Time of Essence**

Time shall be of the essence of this Lease and every part hereof.

**7.10 Force Majeure**

Whenever and to the extent that the Landlord or the Tenant shall be unable to fulfil or shall be delayed or restricted in the fulfilment of any obligation hereunder by reason of being unable to obtain the materials, goods, equipment or labour required to enable it to fulfil any such obligation, or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administration, controller or board, or any governmental department or office or other authority required, or by reason of any other cause beyond its control, whether of

the foregoing character or not, including but without limiting the foregoing, Acts of God, fire, strikes, work slowdowns or unfavourable weather, the Landlord or the Tenant shall be relieved from the fulfilment of such obligation during the period of such delay, and the other party shall not be entitled to compensation for any loss, inconvenience, nuisance or discomfort thereby occasioned.

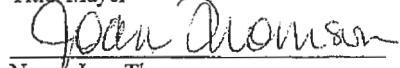
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first herein written.

**THE CORPORATION OF THE CITY OF STRATFORD**



Name: Dan Mathieson

Title: Mayor

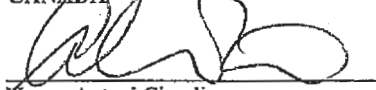


Name: Joan Thomson

Title: City Clerk

We have the authority to bind the Corporation.

**THE STRATFORD SHAKESPEAREAN FESTIVAL OF  
CANADA**



Name: Antoni Cimolino

Title: General Director

I have the authority to bind the Corporation.

SCHEDULE "A"

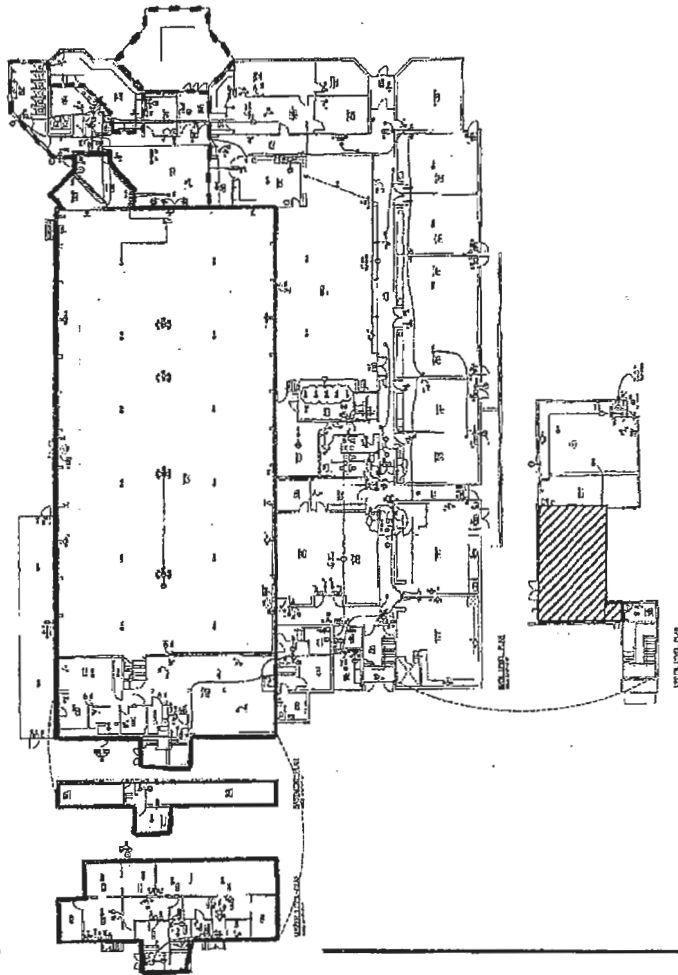
TENANT:  
THE STRATFORD SHAKESPEAREAN FESTIVAL OF CANADA

Common Name:  
Tom Patterson Theatre

Municipal Address:  
48 Water Street Stratford, Ontario Canada

Legal Description:  
Plan 20 Lot 567 to 569

- 
- = Demised Premises
  - - - = Shared Space
  - ▨ = Storage Facility



---

The purpose of this plan is to identify the approximate location of the Demised Premises at the Complex. The Landlord reserves the right at any time to relocate, rearrange, or alter the buildings and structure, other premises and Shared Space and facilities, and with the consent of the Tenant, not to be unreasonably withheld, the Demised Premises from that shown on this plan.

## **SCHEDULE "B"**

### **Tenant's Share of Public Utilities**

The Tenant agrees to pay the entire cost of the following public utilities, which serve only the Demised Premises and are separately metered for the Demised Premises:

1. Union Gas Account #183-7412;
2. Hydro Account #1887-038 for the lounge area of the Complex; and
3. Hydro Account #1887-56 for HVAC and spotlights.

The Tenant agrees to pay 50% of the cost of the following public utilities, which serve the Complex and represents the Tenant's proportionate share based on square footage of the Complex occupied by the Tenant:

1. Hydro Account #1887-55 for the Complex and Third Stage.

**SCHEDULE "C"**

**Basic Rent for the Term**

(Increasing by 5% per year)

Year	Annual Basic Rent	Monthly Instalments
Year 1	\$52,710.00	\$4,392.50
Year 2	\$55,345.50	\$4,612.13
Year 3	\$58,112.78	\$4,842.73
Year 4	\$61,018.42	\$5,084.87
Year 5	\$64,069.34	\$5,339.11
Year 6	\$67,272.81	\$5,606.07
Year 7	\$70,636.45	\$5,886.37
Year 8	\$74,168.27	\$6,180.69
Year 9	\$77,876.68	\$6,489.72
Year 10	\$81,770.51	\$6,814.21
Year 11	\$85,859.04	\$7,154.92
Year 12	\$90,151.99	\$7,512.67
Year 13	\$94,659.59	\$7,888.30
Year 14	\$99,392.57	\$8,282.71
Year 15	\$104,362.20	\$8,696.85
Year 16	\$109,580.31	\$9,131.69
Year 17	\$115,059.33	\$9,588.28
Year 18	\$120,812.30	\$10,067.69
Year 19	\$126,852.92	\$10,571.08
Year 20	\$133,195.57	\$11,099.63

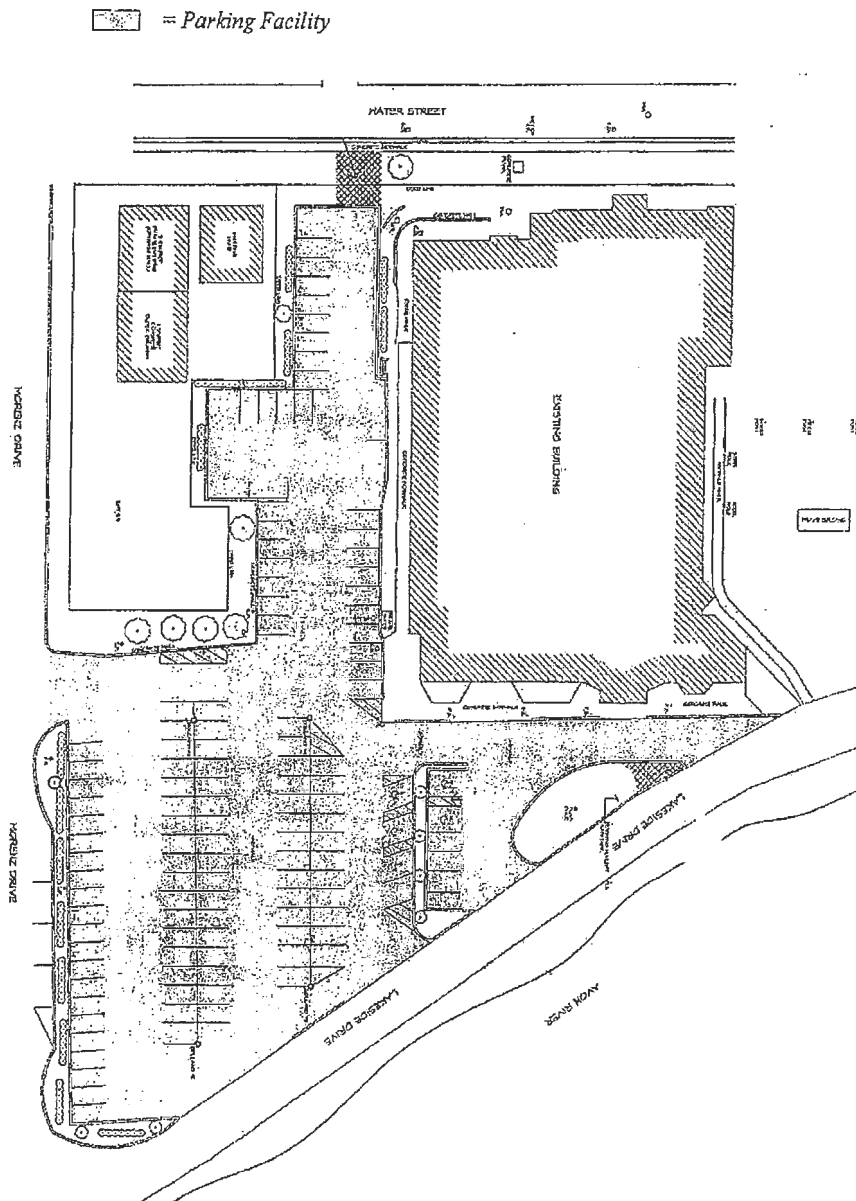


**SCHEDULE "D"**

**Parking Facilities**

**TENANT:**  
THE STRATFORD SHAKESPEAREAN FESTIVAL OF CANADA

**Common Name:**  
Tom Patterson Theatre  
**Municipal Address:**  
48 Water Street Stratford, Ontario Canada  
**Legal Description:**  
Plan 20 Lot 567 to 569



The purpose of this plan is to identify the approximate location of the parking at the Complex.

**Tom Patterson Theatre Technical Review**  
**Plans received – October 2017**

Subject Area:

Block bounded by Lakeside Drive, Morenz Drive, Water Street, and Waterloo Street South, excluding the lands zoned Residential Third Density R3, having an area of 1.95 ha (19 522 m<sup>2</sup> or 4.82 ac).

For the purposes of this project, site area includes the subject properties and the south half of the Water Street road allowance. It is noted that a portion of the travelled portion of Morenz Drive is on property owned by the Corporation of the City of Stratford.

Property Issues:

The subject area contains lands that are owned by the Corporation of the City of Stratford and the Optimist Club of Stratford (72 Water Street).

Prior to submission of a formal site plan application, it is recommended that City Council authorize the Stratford Festival to submit the necessary site plan application. Prior to final approval of a Site Plan Application, an agreement between the City of Stratford and the Stratford Festival is required to address property and possibly road allowance issues.

At the time site plan approval is granted, the owner of 72 Water Street, be it the Optimist Club of Stratford or the Stratford Festival, will be required to execute the Site Plan Agreement.

Current Zoning:

The subject lands are zoned Park P and Residential Third Density R3. A theatre is a permitted use in the Park P Zone. A portion of the City owned lands (municipally known as 111 Lakeside Drive) is zoned Residential Third Density R3. This area is currently used for parking and a drive aisle. Such uses are deemed to be legal non-conforming to the R3 Zone. Alterations to lands currently used for parking and a drive aisle would not alter their legal non-conforming status. No buildings or structures for theatre purposes are permitted on lands zoned R3.

## Zoning Issues

### Parking

The proposed theatre (performing arts) requires 1 parking space per 4 person seating capacity. The applicant has advised the seating capacity will be 600 persons which would require 150 parking spaces. The plan satisfies the By-law, however, many of the required parking spaces are on the Water Street road allowance. Normally parking spaces are required to be on the subject lands and not on the road allowance. In order to deem parking spaces on the road allowance as satisfying the required parking of the Zoning By-law, the City must grant authorization to do so, perhaps through the property agreement noted above. Alternatively, the applicant may submit an application to the Committee of Adjustment for a minor variance or revise the plan to show all parking spaces wholly on the subject lands in conformity with the Zoning By-law.

The Zoning By-law requires parking spaces and driveway aisles to be outside the minimum setback. The proposed plan shows parking spaces and driveway aisles within the minimum setback abutting Morenz Drive and Water Street. Locating parking spaces and driveway aisles within the setback must be addressed through the property agreement, noted-above, or through a minor variance. The other alternative is to revise the plan to comply with Zoning By-law.

### Setbacks

The Zoning By-law permits decks to project a maximum of 2.5 m into the setback. Although not dimensioned, the plan appears to show the wall for the arbour and the arbour itself projecting into the setback greater than the allowable 2.5 m. This can be addressed either through the above-noted agreement, through a minor variance or by revisions to the plan to comply with the Zoning By-law.

This plan satisfies lot coverage, landscaped open space, and number of loading spaces required in the By-law. It is noted that the Park P zone does not have a maximum height regulation. It is also noted coverage and landscaped open space calculations are based on the proposed plan and subject area. If the design or subject area is altered, lot coverage and landscaped open space would need to be recalculated to confirm conformity with the Zoning By-law.

## Site Planning Comments:

The Urban Design and Landscape Guidelines recommend the perimeter of parks to be lined with buildings that face onto the park. The proposed Lakeside Drive elevation contains extensive design elements such as an outdoor patio and arbour and curvilinear wall. These elements, together with extensive landscaping and pedestrian walkways, will complement the parkland on the north side of Lakeside Drive and is deemed to satisfy the Guidelines. In addition, the main door, sidewalk, patio, and arbour will animate the public realms along Lakeside Drive.

The proposed site plan contains barrier free pedestrian connections to Lakeside Drive, Water Street, and Morenz Drive. Accessible parking spaces are located in close proximity to the main entrance. Upon receipt of a formal Site Plan Application, the plan will be circulated to the Accessibility Advisory Committee.

In accordance with the Pedestrian and Landscape Guidelines, the plan contains planting strips between parking spaces in proximity to Water Street. In other places, a retaining wall is proposed which will screen parking spaces from the public realm.

Benches are provided in the landscaped area on the north side of the site to meet the needs of future visitors. Although not required, the applicant should consider adding benches or seating in close proximity to the Water Street parking area.

### Landscaping

The submission included a Tree Preservation and Removals Plan. Approximately 55 trees are proposed to be removed. Over 250 trees and shrubs of various sizes will be planted to replace the existing trees.

### Elevations

The proposed plan has been evaluated against the Institutional provisions of the Urban Design and Pedestrian Guidelines. The building is set back to accommodate an outdoor garden area and contains sidewalks and trails which connect to existing sidewalks and trails that support pedestrian activity in accordance with the Guidelines.

Gateway and Prestige Sites should be defined by high profile buildings that are of a high quality architectural design. The proposed building satisfies this provision of

the Urban Design and Landscape Guidelines. Design elements include a clearly identified main entrance, a variety of building materials, and fluctuating façade. Such elements provide depth to the building and an aesthetically pleasing streetscape.

Vehicular movement, especially for truck traffic, will be difficult at the Morenz Drive access driveway. The applicant must demonstrate this access works for all vehicles by placing a turning template on the plan. If it is found to be deficient, the turning radius must either be altered to accommodate full turning movements or signage erected to prohibit right-hand turns.

A detail of the garbage enclosure is required.

Although not required, the applicant is encouraged to provide bicycle parking in locations that are convenient to patrons and employees.

#### Servicing Comments:

##### Water

A new watermain was installed using trenchless technology along this section of Waterloo Street under Lake Victoria in 2004. Due to the complexity and depth of the existing watermain, connecting the 150mm water service along this section of Waterloo Street will not be permitted. The applicant is advised a new water service to serve this building may be connected to the 200mm watermain on Water Street or Morenz Drive.

##### Engineering Drawings

Engineering has had an opportunity to review the engineering drawings and offer the following comments:

##### Drawing: C2.1 – Site Grading, Removals and Erosion & Sediment Control Plan – Rev. 2

- Deposits are required for all works on City right-of-way prior to construction
- Provide a catchbasin downstream of discharge pump area to capture possible overflow from rip rap spillway
- Add railing note to the sidewalk along Water Street frontage

### Servicing

Be advised that depending on the final servicing design, an Environmental Compliance Approval (ECA) may be required. If an ECA is required, all applications and all corresponding supporting documentation is to be completed by the applicant's engineering consultant and submitted to the City.

### Transportation

The submission included the following report: Transportation Review: Tom Patterson Theatre Redevelopment Site Plan, Stratford. This report has been reviewed and staff have no comments or concerns.

### Stormwater Management Report

Staff did not require quantity control for this project because of its proximity to Lake Victoria.

### Other Items

#### Floodplain

The Avon River Floodplain Mapping, Flood Mapping Report, dated November 18, 2016 and revised July 6, 2017 and prepared by MTE Engineering has been submitted. Prior to acceptance of final lot grading plans, a sign-off letter from the Upper Thames River Conservation Authority (UTRCA) is required. The applicant has advised that they have submitted the necessary modeling to the UTRCA.

#### Festival Hydro

No Concerns

#### Demolition Permit

Be advised that separate demolition permits for 68 and 72 Water Street may be required.

July 24, 2017

Mr. Rob Horne  
Chief Administrative Officer  
City of Stratford  
PO Box 818  
Stratford, ON N5A 6W1

Dear Mr. Horne,

**Re: City of Stratford Grand Trunk Community Hub**

On behalf of the University of Waterloo, I am pleased to provide this letter of commitment to enter into formal discussions toward the creation of the City of Stratford Grand Trunk Community Hub.

On many previous occasions, I have expressed my continued support for the University's very successful Stratford Campus for Digital Media. Year after year, we see strong enrollment growth in both our undergraduate and graduate degree programs. This has now caused us to move forward in planning for additional campus growth in Stratford, and we are benefitting from our collaboration with the City of Stratford and their master planning process.

An important element for the Stratford Campus is the creation of a Student Life Centre. One of the University's top priorities is the physical and mental well-being of our students and staff. Consequently, the creation of a Grand Trunk Community Hub, which would include a new YMCA, provides an ideal opportunity for us to incorporate a Student Life Centre as well, and to access the many planned facilities and programs.

We have already accomplished considerable pre-planning with the City of Stratford. The preferred location for the Grand Trunk Community Hub is also an ideal proposition, being located on the same block as our existing campus, and mere feet from our doors.

We are now embarking on detailed discussions around formalizing our commitment to the Hub. These discussions include dedicated and shared spaces, capital funding, and the potential introduction of student fees for facility access as well as Stratford public transit. A keystone of our interest also lies in the opportunity for inclusion of our staff and students into the broader Stratford community, with the Hub being enjoyed by a wide variety of people together.

We look forward to making the Grand Trunk Community Hub a reality. With the support of senior government, we can readily achieve this goal.

Yours truly,



Feridun Hamdullahpur  
President and Vice-Chancellor





Stratford-Perth Family YMCA  
204 Downie St.  
Stratford, ON N5A 1X4  
519-271-0480  
www.stratfordperthymca.com

July 12, 2017

Rob Horne  
Chief Administrative Officer  
City of Stratford PO Box 818  
Stratford ON N5A 6W1

Dear Mr. Horne:

Re: Grand Trunk Community Hub

On behalf of the Stratford-Perth Family YMCA, I am pleased to provide this letter of commitment to enter into a formal partnership in the creation of the Grand Trunk Community Hub with, and in the City of Stratford.

The concept of the co-location of programs and services is critical for our services to remain affordable to all. Having the Stratford Lakeside Active Adults, the University of Waterloo Student Life Centre and the YMCA together, creates the synergy that provides for truly inclusive services for the entire population. These three entities attract a broad spectrum of community members, including children, youth and students, families and older adults. This model enables collaboration amongst these service providers to involve those most vulnerable to economic conditions especially youth and young families, as they look to become full members of their community.

These partners have come together to begin the process of creating something unique, but also something very relevant and impactful for our community. A new and expanded capacity to provide much needed child care spaces to be offered 24 hours a day to address issues from our manufacturing sector will support economic expansion and growth. The financial arrangement for this project creates solid ground for sustainability in such a way that the community truly benefits.

The YMCA has been serving the Stratford community for almost 150 years and it is our mission to provide services to those who need community connection to prevent social isolation...you might say it is part of our DNA. The current YMCA sits on land donated by the Grand Trunk Railway in 1904. Our YMCA was an original Railway YMCA providing services such as reading rooms, first aid training (given the dangerous working conditions on the railroad), housing, baths, and physical and social recreation to railway workers.

We find ourselves with an opportunity to work with additional partners to bring much needed amenities that will cater to all ages and stages, income levels, a variety of interests and most importantly in the core of our community, for all to enjoy. The downtown location within the commercial heart of Stratford with parking, transit, restaurants, world-class theatre and shopping all adjacent to this location is easily accessible to all community residents.

The YMCA will be embarking on a capital campaign to contribute to this project and we have been in discussions with each of the partners to plan a practical, inclusive, relevant and sustainable community hub that will build a healthier community. We now turn to government support to make this community hub a reality.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Mimi Price'.

Mimi Price  
Chief Executive Officer

Building healthy  
communities