

The following is a copy of **Clause G2, Administrative Report No. 11-2011** which was **ADOPTED** by City Council at its meeting held on **June 13, 2011**:

Section G – CITY MANAGER

G2) Art Gallery of Saskatchewan Inc. (Files CK. 4129-15 and CC. 4130-2)

- RECOMMENDATION:**
- 1) that City Council approve the terms of the agreement between the Frank and Ellen Remail Foundation; the Art Gallery of Saskatchewan Inc. (AGS); and The City of Saskatoon set out in the letter attached dated June 1, 2011, and signed by the parties;
 - 2) that in recognition of the very generous gift of the Frank and Ellen Remail Foundation, the new art gallery be named the Remail Art Gallery of Saskatchewan; and,
 - 3) that the Administration prepare the appropriate agreement for execution by the parties.

BACKGROUND

On May 30, 2011, City Council passed a resolution approving the schematic design for the new art gallery. City Council also passed the following resolution:

“that Administration be instructed to enter into a naming agreement for the new gallery if there is a significant contribution made to the AGS Capital Campaign and report further to Council at the appropriate time.”

REPORT

The Administration is extremely pleased to report that Mr. Doug Hodson, Q.C., Chair of the AGS Capital Campaign, and the Administration have had discussions, and reached agreement on the terms of a very generous gift from the Frank and Ellen Remail Foundation, subject to City Council’s approval. The gift is in two parts:

1. A gift of \$15 million to the AGS Capital Campaign to be used for the building of the new art gallery as approved by City Council on May 30, 2011; and,
2. A gift of \$15 million to the Art Gallery of Saskatchewan Inc. to be paid at the rate of \$500,000 per year for a term of 30 years, which sums are to be used by the Art Gallery of Saskatchewan Inc. for enhanced programming (not for operating costs or established programs).

Clause G2, Administrative Report No. 11-2011
Monday, June 13, 2011
Page Two

In recognition of this very generous gift, the City will name the facility the Rемаi Art Gallery of Saskatchewan for a period of no less than 30 years.

Additional details are described in the attached letter of June 1, 2011, signed by the Frank and Ellen Rемаi Foundation; the Art Gallery of Saskatchewan Inc.; and The City of Saskatoon (Attachment 1).

The Administration is extremely pleased to wholeheartedly recommend approval of this agreement by City Council, and the renaming of the facility in recognition of this very generous gift.

ENVIRONMENTAL IMPLICATIONS

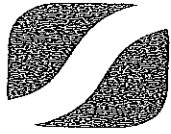
There are no environmental and/or greenhouse gas implications.

PUBLIC NOTICE

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

ATTACHMENT

1. Correspondence from The City of Saskatoon to the Frank and Ellen Rемаi Foundation dated June 1, 2011.



City of
Saskatoon

Office of the City
Manager

222 - 3rd Avenue North
Saskatoon, SK S7K 0J5

fx 306•975•3048
Phone: (306) 975-3209

June 1, 2011

Ms. Ellen Remai
Frank and Ellen Remai Foundation
143 Cardinal Cres
Saskatoon SK S7K 6H5

CONFIDENTIAL

Dear Ms. Remai:

On behalf of the City of Saskatoon, I am pleased to provide this letter outlining the terms of the agreement between the City of Saskatoon, the Art Gallery of Saskatchewan Inc. (the "AGS"), and the Frank and Ellen Remai Foundation (the "Foundation") regarding your proposed generous grant to the Art Gallery of Saskatchewan project.

On May 30, 2011, City Council passed a resolution approving the schematic design for the new Art Gallery. City Council also passed the following resolution:

"that Administration be instructed to enter into a naming agreement for the new gallery if there is a significant contribution made to the AGS Capital Campaign and report further to Council at the appropriate time."

In furtherance of this resolution, I have had discussions with Doug Hodson, Chair of the AGS Capital Campaign regarding the terms of your proposed grant to the AGS and the City's desire to name the art gallery in your honor and in recognition of your significant gift. The purpose of this letter is to outline and confirm the terms of the agreement which will be presented to City Council for approval.

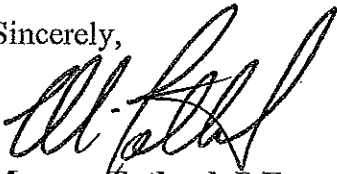
1. The Foundation will grant the sum of \$15 million to the AGS Capital Campaign to be used for the building of the new art gallery as approved by City Council on May 30, 2011. These monies will be forwarded over a period of time as progress payments are needed, with the final amount granted by the completion of construction. Sufficient notice of no less than 30 days will be provided to the foundation for this purpose. The gift is conditional upon the City proceeding with construction of the gallery as approved by City Council, without any significant changes to its size or scope.
2. The Foundation will grant the additional sum of \$15 million to the AGS to be paid at the rate of \$500,000 per year for a term of 30 years commencing in the first year of operations of the art gallery. The proceeds of this grant are to be used by the AGS for enhanced programming and are not to replace funding already in place for operating

costs or established programs. This money is intended to be used exclusively to acquire and support exhibitions and programs beyond normal funding sources. The Foundation and the AGS will agree to further terms of reference for the use of the enhanced programming funds.

3. In recognition of the Foundation's generous grant of \$30 million, the City will name the facility the Rемаi Art Gallery of Saskatchewan for a period of no less than 30 years. This 30 year period will start on the year of the first payment of the enhanced programming. The Foundation accepts and agrees to this recognition. Upon the expiry of the 30 year term, if the Foundation continues to provide funding to the AGS, the Foundation will have the right of first refusal for continued naming of the Gallery on terms to be established at that time.
4. The City is required to obtain approval of the terms of this agreement from City Council. City Administration will recommend approval of this agreement at the next meeting of City Council. Once approved by City Council, this agreement becomes binding on the City, the AGS, and the Foundation.
5. If City Council does not approve the terms of this agreement, the agreement shall not be binding and there shall be no obligation on the part of the Foundation.

Please sign this letter on behalf of the Foundation and return it to my office. Thank you again for your generosity.

Sincerely,



Murray Totland, P.Eng., MBA
City Manager

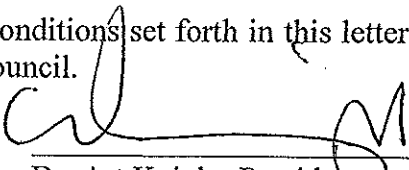
MT:sk

The Foundation hereby agrees to the terms and conditions set forth in this letter, subject only to approval of the terms of the agreement by City Council.



Ms. Ellen Remai
Frank and Ellen Remai Foundation

June 2, 2011
Date



Dr. Art Knight, President and Chair
Mendel Art Gallery and Art Gallery of
Saskatchewan Board of Trustees

June 2/11
Date