

CONSIDERATIONS FOR WEDDERBURN HIGH SCHOOL THEATRE OPTION

Issue

Council direction is requested regarding the proposed development of a Wedderburn High School theatre as a partnership opportunity to allow for community usage.

Motion Proposed by Administration

Option 1 - Decline the Town's involvement in a theatre expansion at the Wedderburn High School acknowledging the financial constraints of onboarding a new capital project.

OR

Option 2 - That Council support the construction of theatre layout #2 at the new Wedderburn high school, with the addition of a loading dock, as recommended by members of the local arts and culture community, on condition of the development of a community access agreement and budget amendments being brought forward for consideration by June 30, 2025.

Report, Analysis and Financial Implications

In alignment with the partnership with the Foothills School Division (FSD), the FSD has asked if the Town would contribute to upsize a proposed theatre at the Wedderburn high school site to allow for joint community use.

The Town acquired the land for a future FSD school site in 2016. The agreement includes a clause that the land would accommodate a range of education, public recreation and cultural facilities within a campus environment to support the long-term needs of the community. Since 2016, there has been on-going conversations between Administration and FSD of conceptual designs incorporating community use and facilities. The preliminary design for the Wedderburn High School site shadows multiple theatre layout options for the Town's consideration. There is no obligation for the Town to contribute to any of the three theatre layouts as presented. This is an opportunity to leverage economies of scale for a new community asset, if conditions are deemed acceptable.

Performing Arts Feasibility Studies

The Town has completed two performing arts centre feasibility studies (2012, 2017) to analyze the impact of a stand-alone centre. The 2012 study reviewed the market conditions, community benefits, and operating impacts of a conceptual design. A second feasibility study completed in 2017, analyzed a performing arts centre on available property along Riverside Drive West (Arts and Learning Campus). The architectural conceptual design for the Riverside Drive performing arts centre was grounded in the scope of work completed in the 2012 feasibility study. Further details are included in *Attachment 1: Performing Arts Centre Feasibility Study (2017)*.

Project Delivery Options

Three project delivery options have been identified:

1. a stand-alone performing arts centre.
2. the conversion of an existing municipal facility into a future performance centre; or
3. a partnership with FSD to leverage the Wedderburn High School location.

The table below provides a range of estimated Town construction costs (not including land or servicing costs), estimated size, and the potential financial timelines for the scope.

	1. Stand-alone Performing Arts Centre	2. Retrofit/Conversion of existing municipal facility	3. Partnership with FSD
Estimated Construction Costs to Town	\$30M to \$40M	Starting at ~\$3M	\$4M to \$7M
Estimated Size (square metres)	2,700 m ²	840 m ²	1,000 m ²
Potential Financial Timeframe	Long-term (20+ years)	Medium to long-term (10 to 20 years)	Short term (less than 5 years)

The partnership model (#3) provides the Town with the best value-proposition to leverage a community performance centre. The province has committed funding to construct the high school, including a base amount for theatre space, to meet the needs of the school curriculum. The Town has an opportunity to invest, at a significantly reduced amount compared to the other 2 possible options, and achieve a similar outcome at a reduced level of risk.

Theatre Usage

The Town owns and operates the Old Church Theatre which includes an auditorium (capacity of 162) and community room (capacity of 77). The theatre is available for approximately 5,800 annual hours for creative activities, events, and performances. The theatre does not have dedicated staff with booked events supported by team members from Culture & Heritage.

Administration completed an analysis of the 2024 usage of the Old Church Theatre. Usage was calculated at 18% of total available hours. This indicates there is capacity at the existing theatre for additional programming, community use, or rentals.

Further details are available in *Attachment 2: Old Church Theatre 2024 Usage Report*.

Public Consultation

On April 3, 2025, Administration held a targeted consultation with interested parties from the arts and culture community. Invited attendees were asked to review the three proposed theatre layouts at the Wedderburn High School site and answer the following two questions:

1. How will the theatre layouts meet the community's need for performance space; and
2. What are the limitations of the theatre layouts to meet the community's needs for performance space

Feedback is captured in *Attachment 3: What We Learned Report Wedderburn Theatre Options*.

Financial Implications

Theatre layout #2, the preferred configuration from the community, is expected to cost about \$8M to build. Foothills School Division would cover approximately \$2.4M, with the Town expected to cover about \$5.6M of those costs. This does not include any costs for a potential loading ramp that would need to be explored.

Based upon a review of the 2024 annual financial statements and the overall 2025 capital plan, the following is provided for consideration. Our debt limit is \$130M. Assuming Council approves the second borrowing bylaw on water, we will have \$70M of debt. Council currently has a self-imposed debt limit of \$98M that will need to be reviewed. Our 10-year capital plan is \$224M. Of the \$224M in projects, \$140M are off site levy projects. Our unfunded list also has \$57M in capital projects. So our total need is \$281M. We ultimately receive about \$6M a year in grants.

We cannot fund all of the planned activity in our capital plan. Council directed that once the procurement processes were complete on the FORWP, an updated growth scenario and off-site levies were completed, an update to the capital budget be provided. We are nearing completion on waterline procurement, and we have scheduled the growth and off-site levy (OSL) updates to Council in June 2025. This will require a revised capital plan for approval in the 2026 budget. It should be noted that decisions were made to not include some OSL capital projects in the plan until the 2025 OSL update and as such the 'unfunded' list does not contain all projects.

Currently, the theatre is not in the current 10-year capital plan and is not on the unfunded list. Council has the sole authority to establish reserves and define the purpose for which those reserve dollars can be used. Council has an established cultural reserve, for the purpose of supporting cultural projects including a performing arts theatre. There is currently \$4.7M in the cultural reserve.

Strategic Plan Goals

<input checked="" type="checkbox"/>	Responsibly Managed Growth	<input type="checkbox"/>	Demonstrated Environmental Leadership
<input checked="" type="checkbox"/>	Strong Local Economy		
<input type="checkbox"/>	Organizational Excellence	<input checked="" type="checkbox"/>	Enhanced Culture & Community Health

Equity/Diversity/Inclusivity Impacts and Strategy

The theatre layouts are inclusive and provide equitable access.

Environmental Impacts

This project is in a planning phase. Future construction will be managed by Alberta Infrastructure with limited influence (outside of development permit review) by Town Administration.

Governing Policies/Bylaws/Legislation or Agreements

n/a

Community Engagement Strategy

Administration applied a consult level of community engagement to obtain feedback on the three theatre layouts.

Alternatives for Consideration

As noted above.

CAO Comments

When opportunity knocks, you need to explore the options. In this case, aligning the Foothills School Division request to have a theatre in their new high school, with accessible community access to a theatre provided an opportunity that needed to be explored. Council will need to weigh carefully the opportunity cost of the new theatre with the economies of scale that are gained, with our move to priority-based budgeting and our available financial resources. As this project was not on our capital plan or on our unfunded list, should it be advanced to capitalize on the economies of scale presented by having dual funding opportunities? Council will need to weigh the lost opportunity, with the priorities to determine if building a theatre at the new Wedderburn high school should proceed. It should be noted that in the short time we have had to review and move this option forward, we have not had the opportunity yet to explore the implications on the operating budget for this theatre, the operating model or the shared services agreement with Foothills School Division.

Attachment(s)

1. Performing Arts Centre Feasibility Study (2017)
2. Old Church Theatre 2024 Usage Report
3. What We Learned Report Wedderburn Theatre Options
4. Adjacency Plans
5. FSD Theatre Concept Options

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