



City Council Report

REPORT NUMBER 180-2026-Corporate Services-Finance

DATE

PREPARED

April 15, 2026

FILE

**CITY COUNCIL
MEETING DATE**

May 5, 2026

SUBJECT

Thunder Bay Community Auditorium Reserve Fund Request 2026

RECOMMENDATION TO CITY COUNCIL

WITH RESPECT to Report 180-2026-Corporate Services-Finance, we recommend that \$36,000 be provided to the Thunder Bay Community Auditorium Inc. for eligible capital repair costs, to be funded from the Thunder Bay Community Auditorium Capital Reserve Fund;

AND THAT any necessary by-laws be presented to City Council for ratification.

EXECUTIVE SUMMARY

The purpose of this Report is to seek approval of the request from the Thunder Bay Community Auditorium Inc. (the “Tenant”) to be reimbursed from the Thunder Bay Community Auditorium Capital Reserve Fund, to pay for capital repairs that have been identified as essential within the facility and detailed in this report. This reserve fund was established in 2023 to support the long-term sustainability of the TBCA facility.

DISCUSSION

The Thunder Bay Community Auditorium (TBCA) is a City-owned facility that is operated by the Thunder Bay Community Auditorium Inc. (the “Tenant”) under a lease agreement between the City (the “Landlord”) and the Tenant. As per the terms of the lease, the TBCA is responsible to maintain the facility.

In 2022, City Council approved the establishment of the Thunder Bay Community Auditorium Capital Reserve Fund to support the longevity of the facility and financial sustainability of TBCA operations. An initial contribution of \$100,000 was included in the City’s 2023 Operating Budget with further annual contributions of \$150,000 to be included in the Operating Budgets from 2024 to 2027 until the commencement of Capital Reserve Rent payments by the Tenant.

Withdrawals from the Thunder Bay Community Auditorium Capital Reserve Fund are for TBCA facility capital expenditures, restricted in accordance with the TBCA lease agreement. The Tenant is formally requesting \$36,000 to address urgent health and safety needs, including upgrades to the fire sprinkler system and backflow prevention devices to ensure continued compliance and safe operation of the facility.

The capital improvements are essential in nature and driven by health and safety risk mitigation considerations.

Summary of Capital Improvements:

1. Fire Sprinkler System	
• Replacement and installation	\$ 13,000
2. Back Flow Valve	
• Replace original units nearing end of life	<u>\$ 23,000</u>
Total	\$ 36,000

The Tenant is also developing a multi-year renovation plan to preserve the facility, reduce operating costs and enhance the audience’s experience. A Request for Proposal for engineering and architectural services is underway, with the final report to the Tenant expected by the end of June. This planning will support grant applications and long-term facility preservation.

Administration has reviewed the requested expenses and has determined that they meet the criteria for eligible use of the Thunder Bay Community Auditorium Capital Reserve Fund as a funding source.

CONSULTATION

The TBCA funding request was presented to the Finance & Administration Standing Committee on April 14, 2026. At Standing Committee there was discussion as to the future capital needs of the TBCA facility and the adequacy of the Thunder Bay Community Auditorium Capital Reserve Fund. Administration shared that the Reserve Fund was established to be an interim measure. The City would contribute to the Reserve Fund for a period of 5 years with those funds used to finance immediate capital needs. The long-term capital needs will be the responsibility of the TBCA (tenant) as defined within the terms of the lease.

Standing Committee endorsed the funding request as presented. The funding request is now presented to City Council for approval.

FINANCIAL IMPLICATION

The Thunder Bay Community Auditorium Capital Reserve Fund was created to support capital improvements in the facility. The estimated uncommitted balance in this reserve fund is currently approximately \$350,000 and is sufficient to cover the requested \$36,000.

BACKGROUND

The Thunder Bay Community Auditorium is a City-owned facility that is operated under a lease agreement between the City and the Tenant.

In January 2026 (Report 016-2026-Corporate Services-Finance) City Council approved the request from the Tenant to provide \$93,000 from the TBCA Reserve Fund towards an engineering assessment required to proceed with larger capital project planning with the goal of leveraging external funding opportunities.

In November 2025 (Report 335-2025-Corporate Services-Finance) City Council approved the request from the Tenant to provide \$119,627 from the TBCA Reserve Fund toward eligible capital costs.

In December 2022 (Report 221-2022-Corporate Services & Long-Term Care) City Council established the Thunder Bay Community Auditorium Capital Reserve Fund, to be used for the exclusive purpose of capital improvements, renovations, repairs, and maintenance of the Facility operated by the Tenant. Based on the direction within this report, Administration included an initial contribution of \$100,000 to the TBCA Capital Reserve Fund in the 2023 Budget funded by the Capital General Reserve Fund. Subsequent annual contributions of \$150,000 in each of 2024, 2025 and 2026 were funded by the tax levy, approved through the respective annual budget processes. A \$150,000 contribution for 2027 will be presented for Council consideration through the regular annual budget process.

The Tenant continues to be a recipient of annual Sustaining Funding through the Community, Youth & Cultural Funding Program.

REFERENCE MATERIAL ATTACHED

None.

REPORT PREPARED BY

Andrea Morrison CPA, CA, Director Finance, Corporate Services

REPORT SIGNED AND VERIFIED BY

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

04/28/2026 (MM/DD/YEAR)