

## **KEYSTONE FUNDING POLICY**

### **Brandon Chamber of Commerce Policy**

#### **Background:**

The Keystone Centre is a significant economic driver in Western Manitoba as it hosts a variety of events and activities, providing the community with a large part of its social, recreational, cultural and agricultural fabric. The Keystone is one of the largest convention, entertainment, agricultural and recreational complexes in Canada. They have hosted a wide selection of events that include the Memorial Cup, National Arabian Horse shows, countless hockey tournaments, Canadian curling championships, international concert tours and major conventions.

The Keystone opened its doors in 1972, the product of a joint venture between the City of Brandon, the Government of Manitoba, and The Provincial Exhibition of Manitoba. This partnership continues through the present day with annual contributions of \$375,000 from each the City of Brandon and the Province of Manitoba. In addition, the City of Brandon has designated a portion of the annual Accommodation Tax funds collected be set aside for Capital Improvements at the Centre, on a case by case basis.

The recent announcement the Provincial government regarding taking the steps to retire the debt held by the Keystone Centre is a definite boost for Brandon and the facility. This allows the Keystone Centre Management to focus incoming cash on the operations of the building and improvements for future events.

However, the Keystone Centre finds itself in a situation where the structure and facility is aging, and areas of the building are just simply wearing out. As the Centre is structured as a non-profit organization, and historically has operated at a deficit, the ability to plan long term for capital improvements has not been possible. As well, funding needed repairs and capital improvements from operations has not been feasible. Capital projects have been implemented on an as needed, reactionary basis when funding from its partners, community funds and federal programs becomes available. Program examples include Canada 150 Infrastructure, BACF, Aviva Community Fund.

This current system requires the Centre to approach funding authorities on a case by case basis; projects only proceed as funding is made available through the various funding partners identified above. Therefore, a project that fits the funding criteria of a community fund may not be the highest priority project at the Centre but may still proceed. This speaks to the requirement of a long term capital plan that provides capital funding to the Centre so capital projects can be addressed in priority sequence and when they make operational sense.

The Brandon Chamber of Commerce recognizes the important role that the Keystone Centre plays as an economic engine to attract people and business to our community. The Chamber recognizes that long-term planning allows an entity to be proactive in solving problems rather than reacting to conditions as they arise. While the Chamber is aware of the importance of the Centre to our community, they also are cognizant of the responsibility to the tax-payers of Brandon.

If the City wants to continue holding major events that attract people to the City, the upgrades to the facility are imperative to ensure that the Keystone and Brandon are top of mind. Providing planned government funding for the Keystone Centre to be able to produce a proper capital plan will allow the Keystone Centre to remain the amazing facility that it is.

The Chamber also recognizes that there have been recent efforts to create additional revenue by charging facility fees and providing a short-term lease for a waterpark on their grounds. The Chamber encourages that this type of activity to continue to help sustain the facility and be able to reinvest its own revenues into capital and maintenance planning. With the land at 18<sup>th</sup> Street and Richmond Avenue underutilized most of the year, there are opportunities to generate additional revenue with minimal effect on the operation of the facility.

**Recommendations:**

1. The City of Brandon and Province of Manitoba work together to fund a reasonable 5 year capital plan for the Centre, with funds to be used to invest in necessary capital upgrades to maintain the existing facility.
2. The Centre explore additional revenue generating opportunities, including leasing of surplus lands, in an effort to reduce the annual contribution to the Centre required from taxpayers.

First approved by the Brandon Chamber of Commerce, December 2015

**Renewed by the Board of Directors: August 22, 2019**