



February 25, 2014

Mayor Bob Bratina  
Members of Hamilton City Council  
Hamilton City Hall  
2<sup>nd</sup> Floor – 71 Main St. West  
Hamilton, ON  
L8P 4Y5

Dear Mayor Bratina and Members of Hamilton City Council:

I am writing to you to provide an update as to the status of the three-way business relationship between Theatre Aquarius, Opera Hamilton, and the City of Hamilton as you consider the implications of the recent loss of Opera Hamilton to our city.

As you may be aware, the loss of Opera Hamilton has left Theatre Aquarius in a precarious financial position, as our company is faced with unpaid debts to date of approximately \$83,324.00. Moreover, while we have been successful in avoiding the labour costs associated with Opera Hamilton's final show in April of 2014, we have been unable to find another production to occupy Theatre Aquarius at that time. It is very likely that Theatre Aquarius will therefore also be out the total facility fee owed to it by Opera Hamilton for the final show, being \$18,333.33, bringing the total financial impact on Theatre Aquarius to \$101,657.33. Theatre Aquarius has previously provided the City with a summary of the serious financial impact on Theatre Aquarius as a result of Opera Hamilton's decision to cease its operations.

Below is a background summary outlining the current situation.

**Background:** In 2011, Theatre Aquarius offered Opera Hamilton an opportunity to perform its 2011-12 season at The Dofasco Centre for the Arts. Theatre Aquarius viewed the opportunity as a positive, strategic step towards becoming a centre for the performing arts in Hamilton.

Throughout 2012, Opera Hamilton was late in meeting its financial labour and rental obligations to Theatre Aquarius. Opera Hamilton's debt obligation had been chronic for more than a year, exposing Theatre Aquarius to increased financial burden. It has also come to light that HECFI experienced similar late payment issues when Opera Hamilton performed at Hamilton Place resulting in late expenses being deducted from the annual Municipal Grant to Opera Hamilton.

For the 2012-2013 Opera Hamilton season, Theatre Aquarius agreed to allow Opera Hamilton to continue performing at The Dofasco Centre for the Arts upon the condition that Opera Hamilton request and receive permission from the City to sign over its 2013 Municipal Grant directly to Theatre Aquarius to cover all costs associated with Opera Hamilton's rental of our venue (including labour costs). This arrangement ensured that Opera Hamilton would continue to provide a season of opera for its patrons



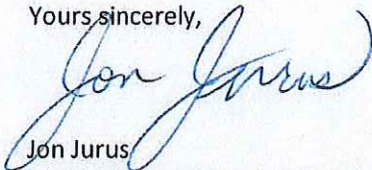
and Theatre Aquarius did not have to act financially on behalf of Opera Hamilton, keeping Theatre Aquarius sheltered from any potential risk of financial viability.

**2013-2014 Opera Hamilton Season:** As per past practice and prior to entering into an agreement between Theatre Aquarius and Opera Hamilton for Opera Hamilton's 2013-2014 season, both Opera Hamilton and Theatre Aquarius wrote to the City requesting that Opera Hamilton's Municipal Grant be paid directly to Theatre Aquarius. Theatre Aquarius agreed to proceed with the historical arrangement based upon the City's response that *"as per previous years, the City continues to be agreeable to forwarding their 2014 grant to Theatre Aquarius in payment of any outstanding debt and/or future payments for services rendered."*

As a not-for-profit cultural arts organization, Theatre Aquarius has neither the financial capacity nor the ability to absorb the financial impact of the ceasing of operations of Opera Hamilton. As you may well appreciate, the crisis that has emerged from Opera Hamilton has now become a crisis for Theatre Aquarius. It is our sincere hope that this background information has provided you with clarity, and we look forward to the City's response at the earliest convenience.

Should you have questions or concerns, please do not hesitate to contact Lorna Zaremba, General Manager of Theatre Aquarius, (905.522.7815 x223) for further information. Thank you for your consideration of this matter.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Jon Juras", written over a horizontal line.

Jon Juras  
Chair, Theatre Aquarius Board of Directors

cc: Rose Caterini, City Clerk  
Mary Gallagher, Deputy City Clerk  
Mike Zegarac, Acting General Manager, Finance and Corporate Services