

London Free Press Tuesday, February 22, 2000

City loans orchestra \$110,000

By RANDY RICHMOND, Free Press Reporter

Orchestra London is striking up a happy tune today after city council agreed to a \$110,000 rescue package late last night.

"This keeps us in business; thank you very much," said a relieved David Stelpstra, chairperson of the orchestra board.

The \$110,000 loan comes with a condition the orchestra agree to a financial management and business plan that satisfies the city.

Despite a three-hour debate behind closed doors, council couldn't come up with any long-term solutions for the orchestra's financial problems and left it up to city staff to examine a request for \$450,000 in annual funding.

Council didn't have enough information to deal with long-term problems, said Deputy Mayor Anne Marie DeCicco.

"All the members of council understood there was a critical need now, but at the same time, we had a lot of discussion around these other items," she said.

The symphony gets \$125,000 a year in funding from the city, but pays about the same amount in rent for using Centennial Hall.

The orchestra board, set to meet today, has no problem working with the city on short- and long-term solutions, Stelpstra said.

"We're willing to look at anything that makes sense," he said. "Our main goal is to provide excellent music to the city."

The orchestra will gladly open its books to the city, he added. "We have nothing to hide from the city."

Orchestra officials say they're \$71,000 behind in rent payments to Centennial Hall and will be \$660,000 in debt by the end of this season. A credit line from the bank to meet the payroll of the 26-member symphony was to expire March 8.

The orchestra board made its rescue pitch for money to a city hall committee earlier yesterday, a few hours before the issue went to full council.

Grand Theatre representatives also appeared at the committee meeting with orchestra officials.

Co-operative efforts between the two arts groups were discussed at the meeting, Stelpstra said.

"We're willing to examine future synergies (with the Grand Theatre)," he said.

The theatre fell into financial difficulty late last year but its bank gave it a year to repay its \$1-million debt. One of London's most respected business leaders -- Don Smith of Ellis-Don -- is heading a campaign to help.

The two crises prove council has to work with its arts organizations, DeCicco said.

"But we're not looking to take ownership of these organizations," she said.

Council made no move yesterday to link the theatre and orchestra, she added.

Several months ago, council directed staff to examine how its arts organizations were operated, she said.

"Unfortunately in the middle of that, we now have a crisis."

The loan didn't pass unanimously last night, partly because it didn't address long-term issues, said DeCicco.

Some council members who periodically emerged from the late-night meeting said a long and contentious debate was unfolding.

In the lobby nearby, anxious musicians and other orchestra supporters waited for any news about the outcome of the session.