

May 28, 2010

To: Executive Committee

From: Budget Committee

Subject: Amendment to the 2010 Parks, Forestry and Recreation Capital Budget for Crescent Town Club

Recommendations:

The Budget Committee recommends to the Executive Committee that:

- 1. City Council close the 2009 Council-approved Renovation of Crescent Town Club Recreational Infrastructure Canada (RInC)/Partnership Opportunities Legacy Fund (POL) project with project cost of \$0.600 million funded by City debt of \$0.500 million, Federal funding of \$0.050 million and Provincial funding of \$0.050 million.**
- 2. City Council request Federal and Provincial approval to re-allocate the awarded funding for the Renovation of Crescent Town Club project of \$0.050 million from the Federal Government and \$0.050 million from the Provincial Government to phase two renovations of Dentonia Park Clubhouse.**
- 3. The Council-approved Parks, Forestry and Recreation 2010 Capital Budget be amended to create a new sub-project known as Dentonia Park Clubhouse Renovations, Phase 2 with project cost of \$0.200 million funded by City debt of \$0.100 million, Federal funding of \$0.050 million and Provincial funding of \$0.050 million with cash flow of \$0.200 million in 2010, if Federal and Provincial approvals are obtained, which shall be reduced to \$0.100 million project cost and cash flow in 2010, should approval not be obtained.**
- 4. City Council amend the council-approved Parks, Forestry and Recreation 2010 Capital Budget to create a new sub-project known as George Webster Park Improvements with project cost of \$0.400 million funded by City debt with cash flow in 2011.**
- 5. City Council authorize and direct the appropriate City officials to take the necessary action to give effect thereto; and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.**

Background:

The Budget Committee on May 28, 2010, considered a report (May 14, 2010) from the General Manager, Parks, Forestry and Recreation and the Deputy City Manager and Chief Financial Officer, entitled "Amendment to the 2010 Parks, Forestry and Recreation Capital Budget for Crescent Town Club".

for City Clerk

Merle MacDonald/tk

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STAFF REPORT ACTION REQUIRED

Amendment to the 2010 Parks, Forestry and Recreation Capital Budget for Crescent Town Club

Date:	May 14, 2010
To:	Budget Committee
From:	General Manager, Parks, Forestry and Recreation Deputy City Manager and Chief Financial Officer
Wards:	Ward 31 – Beaches-East York
Reference Number:	P\2010\Cluster A\PFR\BU72-052810-AFS#12179

SUMMARY

The purpose of this report is to amend the council-approved Parks, Forestry and Recreation 2010 Capital Budget and re-allocate funds associated with the project known as the Renovation of Crescent Town Club RInC (Recreational Infrastructure Canada Program)/POL (Partnership Opportunities Legacy Fund) due to emergent issues with the renovation project.

The Renovation of Crescent Town Club RInC/POL project has been cancelled because a lease agreement could not be secured between the City of Toronto and the Crescent Town Club. As one of the thirteen council-identified priority neighbourhoods, the Crescent Town neighbourhood, where the Crescent Town Club is located, still requires investment in order to create accessible community space; both Dentonia Park and George Webster Park are located in the Crescent Town neighbourhood.

Council authority is required to amend the Parks, Forestry and Recreation 2010 Capital Budget to cancel the Renovation of Crescent Town Club RInC/POL project and re-allocate funding to the project known as Dentonia Park Clubhouse Renovations, Phase 2, and the project known as George Webster Park Improvements.

RECOMMENDATIONS

The General Manager of Parks, Forestry and Recreation and the Deputy City Manager and Chief Financial Officer recommend that:

1. the 2009 council-approved Renovation of Crescent Town Club Recreational Infrastructure Canada (RInC)/Partnership Opportunities Legacy Fund (POL) project with project cost of

\$0.600 million funded by City debt of \$0.500 million, Federal funding of \$0.050 million and Provincial funding of \$0.050 million be closed;

2. Council request Federal and Provincial approval to re-allocate the awarded funding for the Renovation of Crescent Town Club project of \$0.050 million from the Federal Government and \$0.050 million from the Provincial Government to phase two renovations of Dentonia Park Clubhouse;
3. the council-approved Parks, Forestry and Recreation 2010 Capital Budget be amended to create a new sub-project known as Dentonia Park Clubhouse Renovations, Phase 2 with project cost of \$0.200 million funded by City debt of \$0.100 million, Federal funding of \$0.050 million and Provincial funding of \$0.050 million with cash flow of \$0.200 million in 2010, if Federal and Provincial approvals are obtained, which shall be reduced to \$0.100 million project cost and cash flow in 2010, should approval not be obtained;
4. the council-approved Parks, Forestry and Recreation 2010 Capital Budget be amended to create a new sub-project known as George Webster Park Improvements with project cost of \$0.400 million funded by City debt with cash flow in 2011, and;
5. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto; and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

Approval of this report will amend the council-approved Parks, Forestry and Recreation 2010 Capital Budget. The project known as the Renovation of Crescent Town Club RInC/POL project with project cost of \$0.600 million funded by City debt of \$0.500 million, Federal funding of \$0.050 million and Provincial funding of \$0.050 million will be closed.

Once Federal and Provincial approvals are granted, \$0.100 million in City debt funding, \$0.050 million in Federal funding and \$0.050 million in Provincial funding that were originally approved for Crescent Town Club project will be re-allocated to the phase two renovation of Dentonia Park Clubhouse with cash flowed in 2010. The remaining \$0.400 million in City debt funding will be re-allocated for various improvements to George Webster Park with cash flowed in 2011. The re-allocation of funding will have a net zero impact on Parks, Forestry and Recreation's Capital Budget.

There are no additional operating costs anticipated for the planned improvements for Dentonia Clubhouse. Operating costs for George Webster Park, based on the final improvements, will be addressed in the 2011 Parks, Forestry and Recreation Division's Operating Budget submission.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on December 10, 2008 (Decision Document Item EX27.1 Budget Committee Recommended 2009 - 2013 Capital Budget and Plan, and Proposed 2014 - 2018 Capital Forecast), City Council approved \$0.600 million in 2010, with \$0.500 million in debt POL funding and \$0.100 million in potential partnership funding, for renovations to Crescent Town Club to create additional community space.

Link to Decision Document: <http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-12-10-cc28-dd.pdf>

At its meeting on September 30 and October 1, 2009 (Decision Document Item CC40.10 City of Toronto Stimulus Funds), City Council approved Federal Stimulus Funding for the Renovation of Crescent Town Club project. As per the contribution agreement, the City of Toronto was to provide \$0.500 million to the project, with \$0.100 million in funding in 2009 and \$0.400 million in 2010; and the Federal and Provincial Governments were to provide \$0.050 million each in 2010.

Link to Decision Document: <http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-09-30-cc40-dd.htm>

COMMENTS

The 2007-2010 Mayor's Platform includes an initiative to invest \$13.0 million in Toronto's thirteen priority neighbourhoods over four years. The Partnership Opportunities Legacy (POL) Fund was created to use City funding to leverage partnerships to fund new community facilities such as playgrounds, parks, basketball courts, expanded library facilities and other infrastructure improvements. Through the City's Neighbourhood Action Partnership (NAP), City staff were mandated to work with local community partners in each of the priority neighbourhoods to determine effective capital projects for POL funding.

In Crescent Town, one of the thirteen council-identified priority neighbourhoods in need of investment, the Neighbourhood Action Partnership prioritized the Crescent Town Club renovations as priority for POL Fund investment. Crescent Town Club, also known as the Crescent Town Community Centre (CTCC) is not a City Asset. At the time the City applied for funding under Recreational Infrastructure Canada (RInC), the City was negotiating a lease with the CTCC in order to invest funds to enhance the CTCC's community space. The planned renovations at Crescent Town Club included upgrading the lower level of the building to create new community meeting spaces, and installing an elevator to improve access.

Despite early indications of a viable partnership and almost two years of discussion, on March 8, 2010 the CTCC declined the City's final partnership offer, negotiations ended, and the Renovation of Crescent Town Club project was cancelled.

As a priority neighbourhood, the Crescent Town neighbourhood still requires investment in order to create accessible community space. Both Dentonia Park and George Webster Park are located in the Crescent Town neighbourhood and council authority is required to cancel the Renovation of Crescent Town Club RInC/POL project and transfer funding to the two other neighbourhood PF&R capital projects.

CONTACT

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SIGNATURE

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Parks, Forestry and Recreation

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Deputy City Manager and Chief
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