

# Toronto 2017 BUDGET



## CAPITAL BUDGET NOTES



## Sony Centre for the Performing Arts

### 2017 – 2026 CAPITAL BUDGET AND PLAN OVERVIEW

The Sony Centre for the Performing Arts (Sony Centre) is Canada's largest soft seat theatre. Designated a historical site by the City of Toronto, the Theatre offers a world class stage, state-of-the-art lighting and sound systems, multi-functional space, and event services.

The Sony Centre underwent extensive renovations from 2008 to 2010. However, these renovations included the renewal of interior finishes instead of addressing the required structural upgrades identified in the 1997 and 2006 Building Condition Audits.

A Building Condition Assessment (BCA) was performed for the Sony Centre in September 2015 and identified \$33.229 million in capital funding required for immediate repairs, as well as capital renewal items. A number of items identified in the BCA were deemed critical and, as a result, the Preliminary 10-Year Capital Plan includes new debt funding of \$7.959 million over and above those already addressed in 2016, to fund the following projects: Theatre Systems and Equipment, Elevator Equipment Modernization, Roof Repairs, Exterior Wall Rehabilitation, and Accessibility for Ontarians with Disabilities Act (AODA) Audit.

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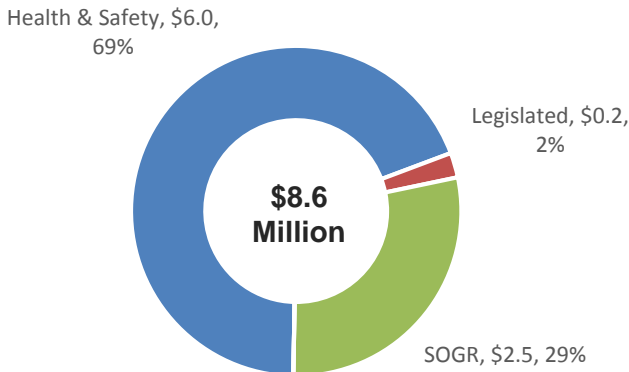
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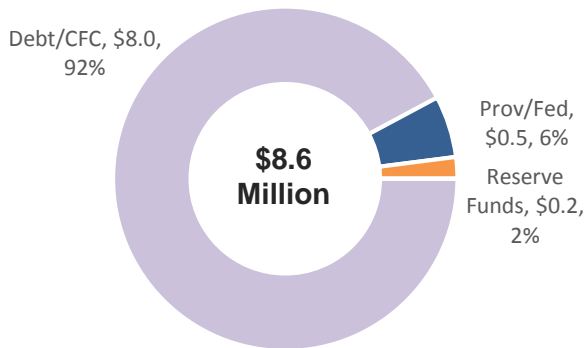
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Capital Spending and Financing

2017-2026 Capital Budget and Plan  
By Project Category



By Funding Source



Where the money goes:

The 2017–2026 Preliminary Capital Budget and Plan totalling \$8.634 million provides funding for:

- State of Good Repair (SOGR) projects which include roof replacements, theatrical systems and lighting improvements, and 'building system automation' upgrades.
- Health and Safety projects related to exterior wall rehabilitation of the site, replacement of the fire curtain, repair work on the stage floor, elevator modernization, and upgrades to the theatrical power infrastructure.
- Legislated projects such as a full audit to ensure compliance with the Accessibility for Ontarians with Disabilities Act (AODA) and the installation of an assistive listening system.

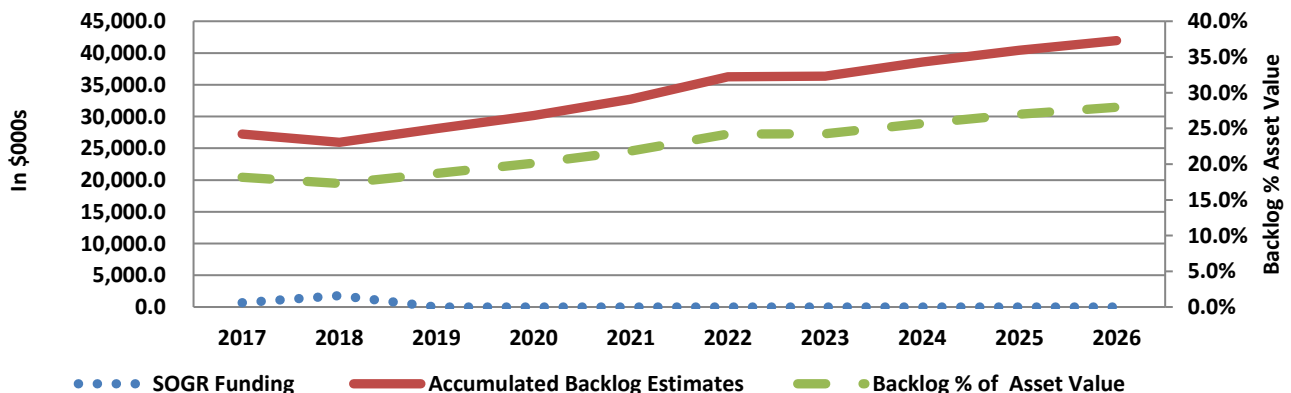
Where the money comes from:

The Preliminary 10-Year Capital Plan requires:

- Debt funding of \$7.959 million (92.2%) which exceeds the debt affordability target by \$2.409 million.
- Secured federal grant of \$0.500 million (5.8%) to support the Porte-Cochere Lighting Restoration project.
- Contributions from Sony Centre's Facility Fee Reserve Fund of \$0.175 million (2.0%) to support the Porte-Cochere Lighting Restoration project.

State of Good Repair Backlog

The Preliminary 10-Year Capital Plan includes cash flow funding of \$2.466 million for State of Good Repair to address the Theatre's backlog. The SOGR backlog as a % of asset replacement value will increase from 18.1% in 2017 to 28.0% in 2026.



**Our Key Issues & Priority Actions**

- **Debt Affordability Target** is exceeded by \$2.409 million in 2017 which includes previously unfunded capital projects. The combined total 2-year debt room of \$5.550 million is insufficient to address the much needed SOGR backlog and health & safety issues.

  - ✓ The Preliminary 10-Year Capital Plan includes "unmet needs" totalling \$22.651 million, recommended by Sony Centre's building condition audit, which require additional debt funding to maintain the Theatre.
  - ✓ Sony Centre has been successful attracting external grants and intends to continue the effort in order to pay for future capital projects thereby reducing reliance on City debt.
  
- **Review of Capital Spending Rates** revealed that most capital projects are being completed on time but they are conditional on the progress of a nearby construction which may negatively affect the scheduled completion date, should that project be delayed.

  - ✓ Although the spending rates review did not affect Sony Centre's Preliminary 10-Year Capital Plan, its "Unmet Needs" were revised to reflect realistic cash flow schedule based on the capacity to spend and known externalities.

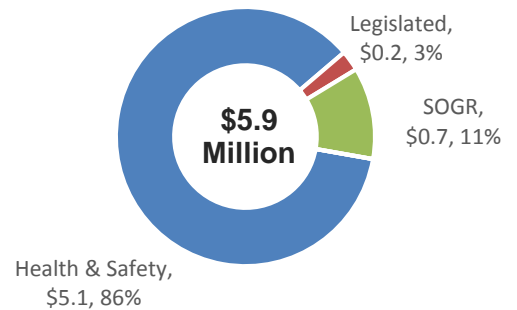


**2017 Capital Budget Highlights**

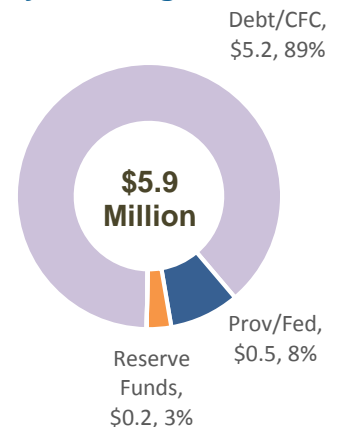
The 2017 Preliminary Capital Budget for Sony Centre for the Performing Arts of \$5.884 million, excluding carry forward funding, will:

- Address immediate health and safety issues with the loading dock, fire curtain, stage floor and fall arrest system (\$2.409 million).
- Continue upgrade work on the Theatrical Performance Power Infrastructure System (\$1.050 million).
- Complete the building envelope work by rehabilitating the exterior wall of the Theatre (\$1.600 million).
- Conduct a full complete audit of the AODA (\$0.150 million).
- Continue restoration work on its Porte-Cochere roof (\$0.675 million).

**2017 Capital Budget By Project Category**



**By Funding Source**



## **Actions for Consideration**

Approval of the 2017 Preliminary Capital Budget as presented in these notes requires that:

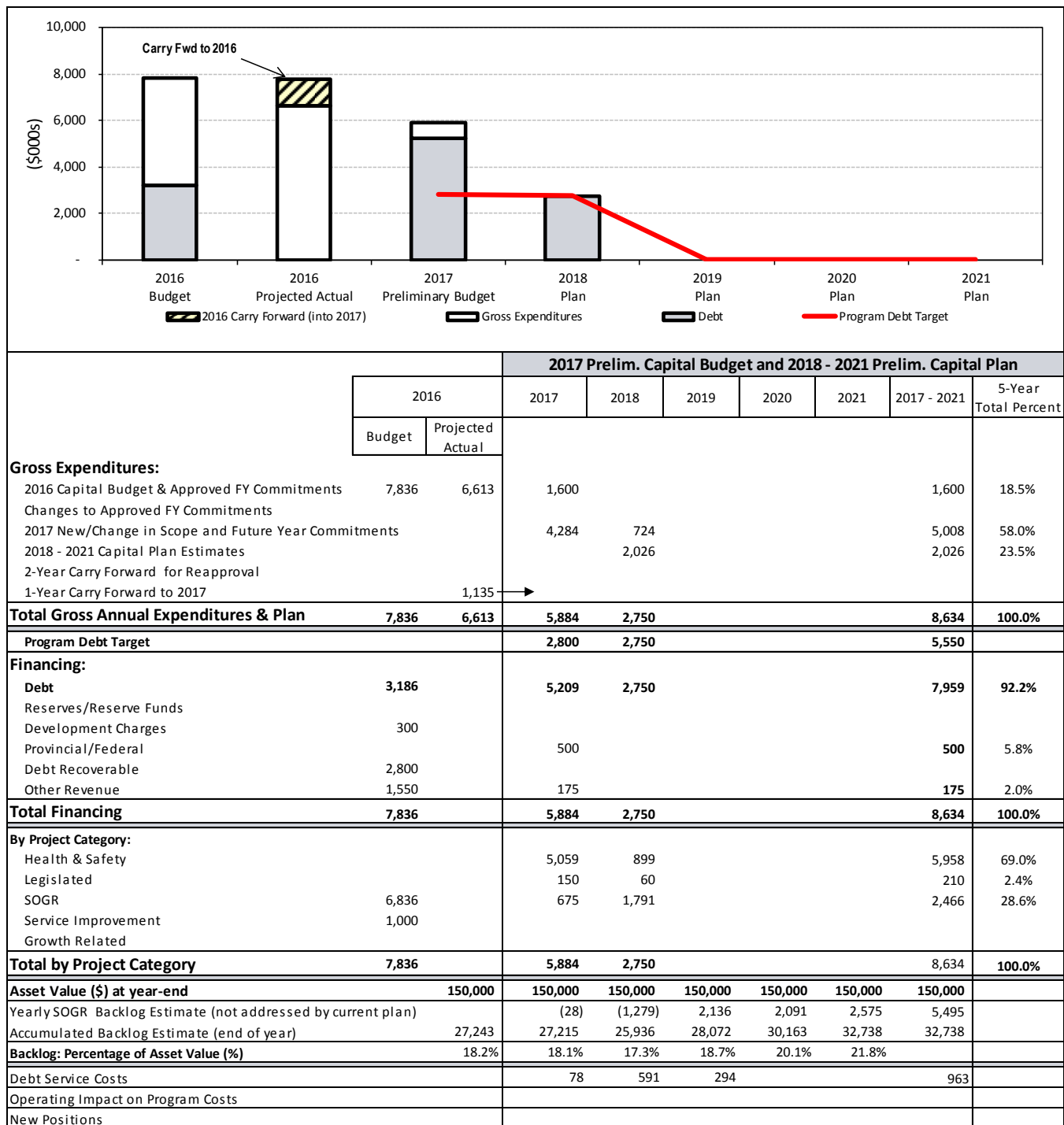
1. City Council approve the 2017 Preliminary Capital Budget for Sony Centre for the Performing Arts with a total project cost of \$5.008 million, and 2017 cash flow of \$7.019 million and future year commitments of \$0.724 million comprised of the following:
  - a) New Cash Flow Funds for:
    - i. 8 new / change in scope sub-projects with a 2017 total project cost of \$5.008 million that requires cash flow of \$4.284 million in 2017 and future year cash flow commitments of \$0.724 million for 2018;
    - ii. 1 previously approved sub-project with a 2017 cash flow of \$1.600 million;
  - b) 2016 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2016 into 2017 totalling \$1.135 million.
2. City Council approve the 2018 - 2026 Preliminary Capital Plan for Sony Centre for the Performing Arts totalling \$2.750 million in project estimates, comprised of \$2.750 million for 2018.
3. All sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2017 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.



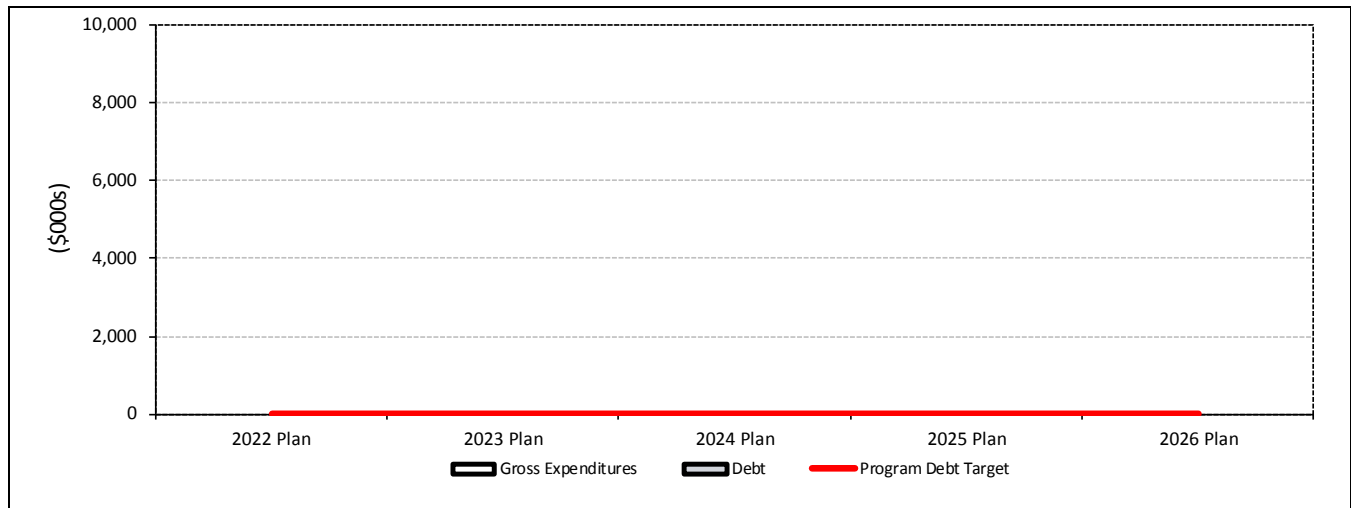
# Part 1:

## Preliminary 10 Year Capital Plan

**Figure 1a**  
**10-Year Capital Plan**  
**2017 Preliminary Capital Budget and 2018 - 2021 Preliminary Capital Plan**



**Table 1b  
10-Year Capital Plan  
2022 - 2026 Preliminary Capital Plan**



	2022 - 2026 Preliminary Capital Plan						
	2022	2023	2024	2025	2026	2017 - 2026	10-Year Total Percent
<b>Gross Expenditures:</b>							
2016 Capital Budget & Approved FY Commitments						1,600	18.5%
Changes to Approved FY Commitments							
2017 New/Change in Scope and Future Year Commitments						5,008	58.0%
2022 - 2026 Capital Plan Estimates						2,026	23.5%
2-Year Carry Forward for Reapproval							
<b>Total Gross Annual Expenditures &amp; Plan</b>						<b>8,634</b>	<b>100.0%</b>
<b>Program Debt Target</b>						<b>5,550</b>	
<b>Financing:</b>							
<b>Debt</b>						<b>7,959</b>	92.2%
Reserves/Reserve Funds							
Development Charges							
Provincial/Federal						<b>500</b>	5.8%
Debt Recoverable							
Other Revenue						<b>175</b>	2.0%
<b>Total Financing</b>						<b>8,634</b>	<b>100.0%</b>
<b>By Project Category:</b>							
Health & Safety						5,958	69.0%
Legislated						210	2.4%
SOGR						2,466	28.6%
Service Improvement							
Growth Related							
<b>Total by Project Category</b>						<b>8,634</b>	<b>100.0%</b>
<b>Asset Value(\$)</b> at year-end	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	
Yearly SOGR Backlog Estimate (not addressed by current plan)	3,538	98	2,175	1,900	1,500	14,706	
Accumulated Backlog Estimate (end of year)	36,276	36,374	38,549	40,449	41,949	41,949	
<b>Backlog: Percentage of Asset Value (%)</b>	<b>24.2%</b>	<b>24.2%</b>	<b>25.7%</b>	<b>27.0%</b>	<b>28.0%</b>		
Debt Service Costs						963	
Operating Impact on Program Costs							
New Positions							

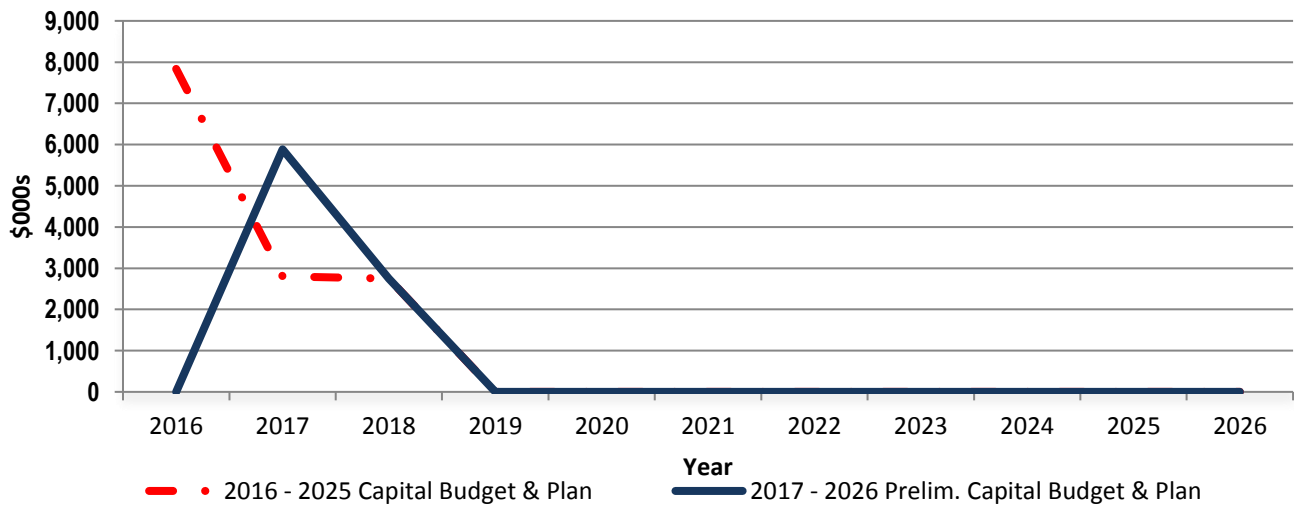


### Key Changes to the 2016 - 2025 Approved Capital Plan

The 2017 Preliminary Capital Budget and the 2018 – 2026 Preliminary Capital Plan reflects a decrease of \$4.752 million in capital funding from the 2016 - 2025 Approved Capital Plan.

The chart and table below provide a breakdown of the \$4.752 million or 35.5% decrease in the Capital Program on an annual basis from 2016 to 2026.

**Chart 1**  
**Changes to the 2016 - 2025 Approved Capital Plan (In \$000s)**



(\$000s)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	10-Year Total
2016 - 2025	7,836	2,800	2,750									13,386
2017 - 2026		5,884	2,750									8,634
Change %		110.1%	0.0%									(35.5%)
Change \$		3,084	0									(4,752)

As made evident in the chart above, the \$4.752 million decrease in the Capital Program reflects the completion of 2016 capital projects such as the stage rigging, restoration, mechanical and electrical systems upgrades, and exterior rehabilitation work totalling \$6.701 million. In addition, the Sony Centre Public West Plaza project for \$1.000 million has been delayed, and the Porte-Cochere project is expected to be underspent by \$0.135 million.

Four new health & safety sub-projects were added in 2017, totalling \$2.409 million which were originally submitted as "unmet needs" and were subsequently included as new debt-funded projects given their criticality, and the Porte-Cochere Lighting Restoration project will add \$0.675 million from non-debt sources.

As reflected in Table 2 on the following page, changes to the 2016 – 2025 Approved Capital Plan, specifically the \$3.084 million increase in funding over the nine common years of the Capital Plan, arise from the reprioritization of Sony Centre's capital projects based on the following factors:

- Addressing immediate health and safety issues with the stage equipment, fire curtain replacement, repair work on the stage floor, installing fall arrest system, enhancing the loading dock facility, lounge elevator and exterior wall of the Theatre.



- Completion of a full Accessibility for Ontarians with Disabilities Act (AODA) audit to identify, if any, issues with compliance with the Act.

A summary of project reprioritization for the years 2017 to 2025 is provided in Table 2 below:

**Table 2  
Summary of Project Changes (In \$000s)**

\$000s	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017 - 2025 Total
2016 - 2025 Capital Budget & Plan	7,701	2,800	2,750									5,550
2017 - 2026 Prelim. Capital Budget & Plan		5,884	2,750									8,634
<b>Capital Budget &amp; Plan Changes (2017 - 2025)</b>		3,084										3,084

	Total Project Cost	2017	2018	2019	2020	2021	2022	2023	2024	2025	2017 - 2025	2026	Revised Total Project Cost
<i>Previously Approved</i>													
<i>Building Envelope</i>	4,626	(1,200)	(2,750)								(3,950)		676
<b>Total Previously Approved</b>	4,626	(1,200)	(2,750)								(3,950)		676
<i>New</i>													
<i>Theatre Systems and Equipment</i>	4,710	3,459	1,251								4,710		4,710
<i>Porte-Cochere Lighting Restoration</i>	796	675									675		1,471
<i>AODA Audit</i>	150	150									150		150
<i>Building Envelope</i>	1,006		1,006								1,006		1,006
<i>Mechanical Systems</i>	156		156								156		156
<i>Vertical Transportation</i>	175		175								175		175
<i>Structure</i>	162		162								162		162
<b>Total New</b>	7,155	4,284	2,750								7,034		7,830
<b>Total Changes</b>	<b>11,781</b>	<b>3,084</b>									<b>3,084</b>		<b>8,506</b>

**Significant Capital Project Changes in Sony Centre:**

Cash flow funding for the following previously approved capital projects have been adjusted based on historical Deferrals/Accelerations:

- Building Envelope* - This project previously included funding for door replacement work. Sony Centre has placed a higher priority on immediate health and safety issues which led to deferring door replacement work of \$1.200 million as "below-the-line". However, the continuation of the exterior wall rehabilitation work is unchanged from the 2016 Approved Capital Budget which will address the aging limestone cladding structure of the Theatre.

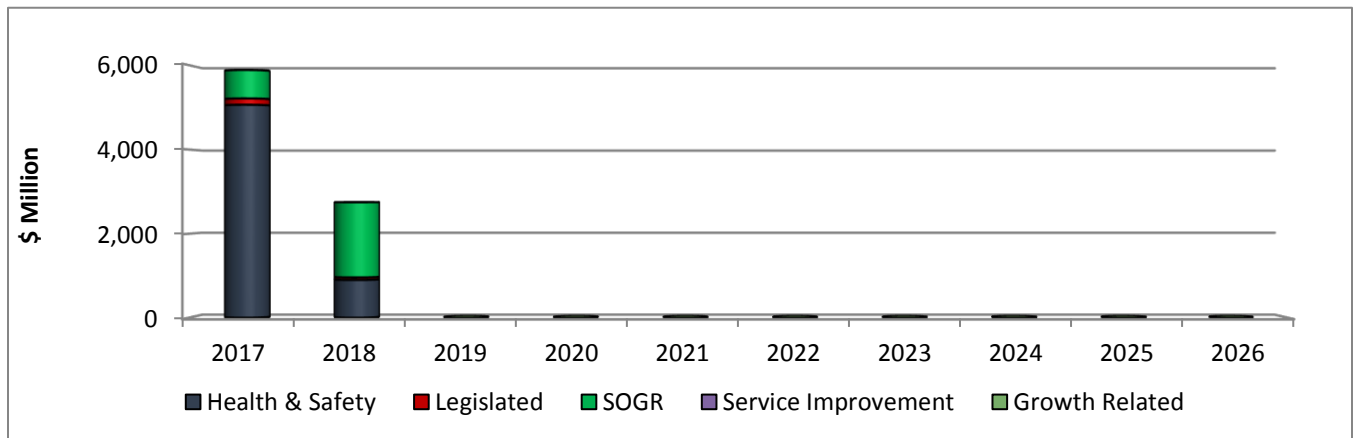
**New Projects:**

- Theatre Systems and Equipment* – Sony Centre will use the funds made available from the deferred Door Replacement project, for the Theatrical Performance Power Infrastructure System upgrades, replacement of the fire curtain, repair the fall arrest system, enhance the loading dock system, and maintenance of the lighting and presentation systems.
- Porte-Cochere Lighting Restoration* – This project will restore the lighting and original design of the existing Porte-Cochere.
- Building Envelope* – Sony Centre will also perform capital maintenance work on roof replacements at Porte-Cochere, Stage Tower, East Canopy, and southeast exit of the building.
- Vertical Transportation* – This project will modernize the Theatre's main lobby elevator equipment to address potential health and safety issues for the visitors. Since the first installation in 1996, the elevator is reaching the end of its 20-year life cycle and there have never been any replacements or upgrades made to this elevator. This project will fully replace the door operator to ensure that the elevators are fully functional and prevent service disruptions.

- *Mechanical Systems* – Sony Centre will automate some of its building components such as the Heat, Ventilation, Air Conditioning (HVAC), and air compressor systems. The BCA suggests that although the above mentioned components are functional, they are approaching the end of the useful life cycle and they will become obsolete. Changing the manual control system to digitized controls will support reliability of these systems.
- *Structure* – Sony Centre will perform repair work on the soffit-mounted lights at the entrance canopy and at the underside of the east terrace.

**2017 – 2026 Preliminary Capital Plan**

**Chart 2**  
**2017 – 2026 Preliminary Capital Plan by Project Category (In \$000s)**



As illustrated in the chart above, the Preliminary 10-Year Capital Plan for Sony Centre for the Performing Arts of \$8.634 million provides 69.0% funding for Health & Safety projects as priorities, 28.6% funding for State of Good Repair (SOGR) projects, and 2.4% for Legislated projects over the 10-year period.

- Health and Safety projects will upgrade the theatrical performance power infrastructure system, rehabilitate the exterior wall, replace the fire curtain, repair the fall arrest system, enhance the loading dock system, and modernize the lounge elevator equipment.
- Cash flow funding has been dedicated to State of Good Repair projects for roof and insulated glass unit replacements, main lobby presentation systems, theatrical lighting system, porte-cochere lighting restoration, building automation systems, and stage roof soffit repairs.
- Legislated projects will deliver a full Accessibility for Ontarians with Disabilities Act (AODA) Audit at the Sony Centre in 2017, and install an assistive listening system as part of the Theatre's Systems and Equipment work in 2018.

The following table details the capital projects by project category within the 2017 – 2026 Preliminary Capital Budget and Plan for Sony Centre for the Performing Arts:

**Table 3**  
**2017 - 2026 Capital Plan by Project Category (In \$000s)**

	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2017 - 2026 Total	Total Project Cost
<b>Total Expenditures by Category</b>												
<b>Health &amp; Safety</b>												
<i>Theatre Systems and Equipment</i>	3,459	724									4,183	4,183
<i>Building Envelope</i>	1,600										1,600	1,600
<i>Vertical Transportation</i>		175									175	175
<b>Sub-Total</b>	<b>5,059</b>	<b>899</b>									<b>5,958</b>	<b>5,958</b>
<b>Legislated</b>												
<i>Theatre Systems and Equipment</i>		60									60	60
<i>AODA Audit</i>	150										150	150
<b>Sub-Total</b>	<b>150</b>	<b>60</b>									<b>210</b>	<b>210</b>
<b>State of Good Repair</b>												
<i>Theatre Systems and Equipment</i>		467									467	467
<i>Porte-Cochere Lighting Restoration</i>	675										675	675
<i>Building Envelope</i>		1,006									1,006	1,006
<i>Mechanical Systems</i>		156									156	156
<i>Structure</i>		162									162	162
<b>Sub-Total</b>	<b>675</b>	<b>1,791</b>									<b>2,466</b>	<b>2,466</b>
<b>Total Expenditures by Category (excluding carry forward)</b>	<b>5,884</b>	<b>2,750</b>									<b>8,634</b>	<b>8,634</b>

## 2017 – 2026 Capital Projects

The Preliminary 10-Year Capital Plan supports Sony Centre for the Performing Arts' objectives of ensuring that the Theatre meets the current safety standards and fulfilling legislated requirements for both staff and patrons, and maintain the infrastructure and major theatre equipment as outlined in the BCA report.

### Health and Safety

- Major Health and Safety projects include:
  - *Theatre Systems and Equipment (\$4.183 million)*
    - *Theatrical Performance and Power Infrastructure System (\$1.774 million)* - The wiring structures and the lighting connector systems are original to the 1960 construction with only one minor system overhaul in 1998. This project will ensure that the new lighting and power infrastructure system are compliant with the Electrical Safety Authority (ESA) standards through replacement of the existing switches, power systems, and LED bulbs.
    - *Back of House Systems – Loading Dock (\$0.652 million)* – This project will install a motorized lift for loading and unloading equipment from the trucks parked in the loading dock. Currently, the Theatre faces an issue as there is no back-up support to load/unload equipment from the trucks.
    - *Stage Floor (\$0.919 million)* – The stage floor has been damaged due to a previous flooding. This project will replace the stage floor prior to the end of its useful life cycle, and prevent risk of injury to the stage performers.
    - *Fire Curtain (\$0.261 million)* – The existing fire curtain has been installed in 1965 and since then, Sony Centre maintained the fire curtain using the "band-aid" method. However, the patching can no longer sustain the integrity of the curtain and it must be replaced to meet health and safety standards.
    - *Fall Arrest System - Front of House (\$0.577 million)* – *Currently there are no fall arrest or restraint systems above the ceiling or at the balcony rail for the employees performing maintenance or installation work onsite. This project will address these safety hazards for workers.*

- *Building Envelope (\$1.600 million)* – This is the exterior wall rehabilitation project. The limestone cladding structure of the Theatre's exterior wall is in its original shape. However, frequent water leakages have resulted from cracks and spalls which require major remediation work.
- *Vertical Transportation (\$0.175 million)* – In 2018, the project will modernize the existing elevator equipment located in the Theatre's main lobby. This elevator is in its 19<sup>th</sup> year of its 20-Year replacement cycle.

#### Legislated

- Major Legislated projects include cash flow funding of \$0.210 million or 2.4% of the total Preliminary 10-Year Capital Plan.
  - *Theatre Systems and Equipment (\$0.060 million)* – This project will enable Sony to install a new assistive listening system as part of the legislative requirement to meet Accessibility for Ontarians with Disabilities Act (AODA) standards.
  - *Accessibility for Ontarians with Disabilities Act (AODA) Audit (\$0.150 million)* – This project will allow Sony Centre to identify other needs to ensure Accessibility for Ontarians with Disabilities Act (AODA) compliance.

#### State of Good Repair (SOGR)

- SOGR projects account for \$2.466 million or 28.6% of the total Preliminary 10-Year Capital Plan's funding.
- The Preliminary 10-Year Capital Plan incorporates a new investment of \$0.675 million in 2017 dedicated for the Porte-Cochere Lighting Restoration project.
  - This sub-project is funded by a secured federal grant and a contribution from the Facility Fee Reserve Fund, which will pay for the restoration work of the porte-cochere lighting to its original design. This project began in 2016 (Refer to the Issues section for a detailed discussion).
- The Preliminary 10-Year Capital Plan incorporates a new funding of \$1.791 million dedicated for the following new SOGR capital projects in 2018:
  - *Theatre Systems and Equipment (\$0.467 million)* – This project includes improvement work on the main lobby presentation systems, and the theatrical lighting systems to add better control on the dimmers.
  - *Building Envelope (\$1.006 million)* – This project includes insulated glass unit replacement work for \$0.317 million, and roof replacements at Porte-Cochere, Stage Tower, East Canopy, and southeast exit of the Theatre for \$0.689 million.
  - *Mechanical Systems (\$0.156 million)* – The Building Automation Systems Upgrades project replaces the HVAC and the air compressor systems at the Theatre.
  - *Structure (\$0.162 million)* – Stage Roof Soffit Repairs will repair the localized cracks and resulting peeled paint at various points of the Theatre such as the east canopy, and the southeast exit of the Theatre.

### 2017 Preliminary Capital Budget and Future Year Commitments

Included as a sub-set of the 10-Year Capital Plan is the 2017 Preliminary Capital Budget and Future Year Commitments, that consists of 2017 and future year cash flow funding allocations for projects previously approved by Council, adjustments (scope change) to those previously approved projects, as well as new projects that collectively require Council approval to begin, continue or complete capital work.

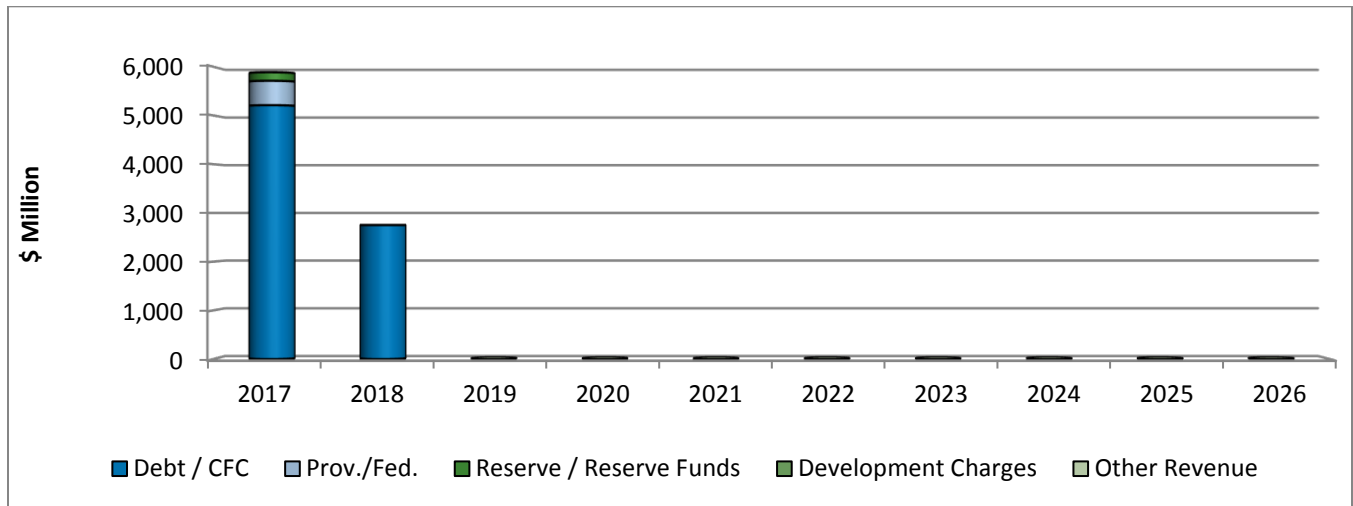
- Table 3a below lists the 2017 Preliminary Capital Budget and Future Year Commitments for Sony Centre for the Performing Arts:

**Table 3a  
2017 Cash Flow & Future Year Commitments (In \$000s)**

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total 2017 Cash Flow & FY Commits
<b>Expenditures:</b>											
Previously Approved											
<i>Building Envelope</i>	1,600										1,600
Subtotal	1,600										1,600
New w/Future Year											
<i>Theatre Systems and Equipment</i>	3,459	724									4,183
<i>Porte-Cochere Lighting Restoration</i>	675										675
<i>AODA Audit</i>	150										150
Subtotal	4,284	724									5,008
<b>Total Expenditure</b>	<b>5,884</b>	<b>724</b>									<b>6,608</b>
<b>Financing:</b>											
Debt/CFC	5,209	724									5,933
Debt Recoverable											
Other											
Reserves/Res Funds	175										175
Development Charges											
Provincial/Federal	500										500
<b>Total Financing</b>	<b>5,884</b>	<b>724</b>									<b>6,608</b>

- Approval of the 2017 Preliminary Capital Budget of \$5.884 million will result in the future year funding commitment of \$0.724 million in 2018 for the Theatrical Power Performance Infrastructure sub-project.

**Chart 3**  
**2017 – 2026 Preliminary Capital Plan by Funding Source (In \$000s)**

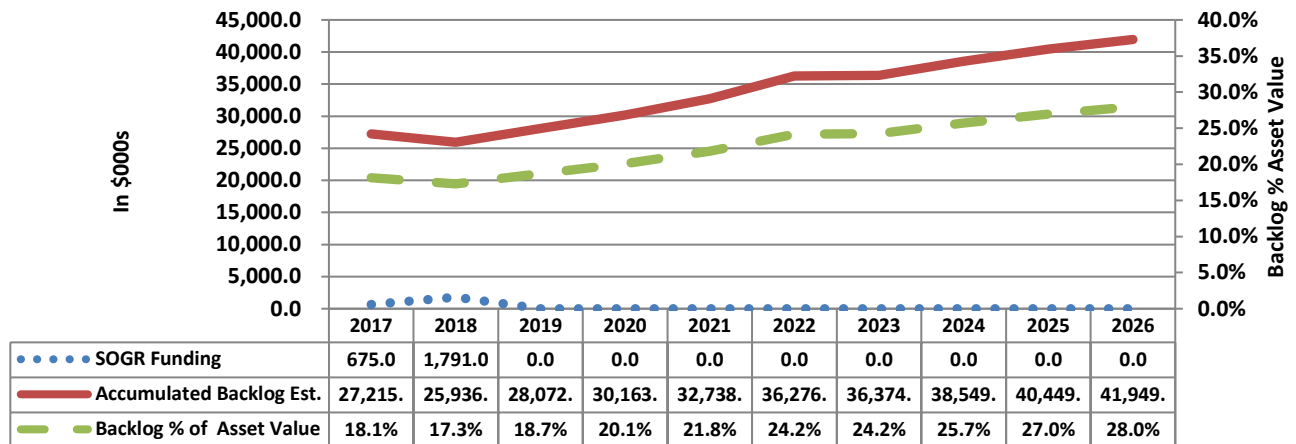


The 10-Year Capital Plan of \$8.634 million cash flow funding will be financed by the following sources:

- Debt accounts for \$7.959 million or 92.2% of the financing over the 10-year period.
  - The debt funding is above the 10-year debt affordability guideline of \$5.550 million allocated to Sony Centre by \$2.409 million, dedicated to health and safety projects:
    - As discussed in Table 3, four new sub-projects were added to the 2017 Preliminary Capital Budget: Fire Curtain, Back of House Systems – Loading Dock, Fall Arrest System – Front of House, and Stage Floor based on the need to address imminent health and safety issues.
- Reserve and Reserve Funds constitute \$0.175 million or 2.0% of required funding in 2017 for the Porte-Cochere Lighting Restoration project.
- A Federal Grant from the Canada Cultural Spaces Fund of \$0.500 million will also help fund the Porte-Cochere Lighting Restoration project.

## State of Good Repair (SOGR) Backlog

**Chart 4**  
**SOGR Funding & Backlog (In \$000s)**



- The replacement value of Sony Centre's assets is estimated at \$150 million.
- At the end of 2016, Sony Centre has a state of good repair backlog of \$27.243 million representing 18.2% of the asset replacement value.
- Total SOGR funding of \$2.466 million over the 2-year period will bring the Sony Centre's SOGR backlog down to \$25.936 million, or 17.3% of its asset replacement value by the end of 2018. However, the backlog will continue to increase as there are SOGR projects that are currently unfunded.
- Sony Centre will also use the ticket surcharge revenue to further reduce the SOGR backlog by addressing smaller capital maintenance items, through the Operating Budget.
- Given debt funding constraints, priority was given to critical health and safety projects.
- Sony Centre's unmet needs will be considered in the 2018 budget process.

## 10-Year Capital Plan: Net Operating Budget Impact

There are no net operating budget impacts or temporary capital project delivery positions arising from the approval of Sony Centre's 2017 – 2026 Preliminary Capital Budget and Plan





# Part 2:

## Issues for Discussion

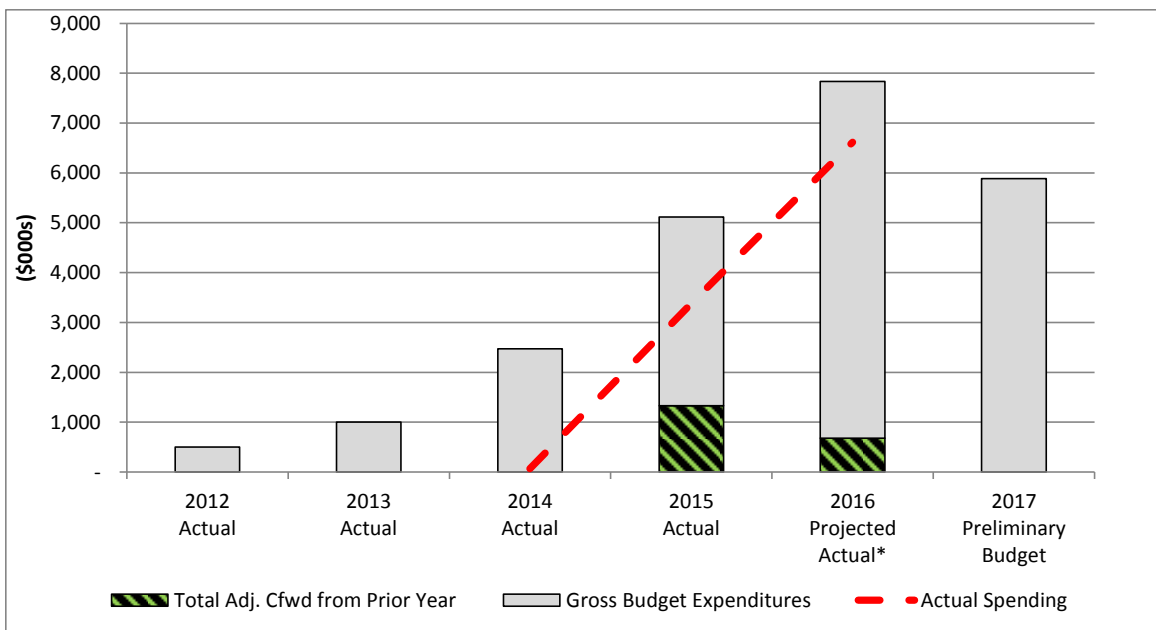
## Issues Impacting the 2017 Capital Budget

### Review of Capital Projects and Spending

- City Council, at its meeting of July 12, 2016 considered the report entitled "2017 Budget Process – Budget Directions and Schedule EX16.37" and directed staff to:
  - Submit their 2017 – 2026 Capital Budget and Plans requiring that annual cash flow funding estimates be examined to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe.
- Sony Centre reported a 2016 year-end projected spending rate of 84.4%.

Category	2012			2013			2014			2015			2016			Spending Rate 5 Year 2012-2016 Avg. %
	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Projected Actual *	Spending Rate %	
SOGR							1,469	66	4.5%	4,117	3,376	82.0%	6,701	6,613	98.7%	81.8%
Service Improvement	500		0.0%	1,000		0.0%	1,000		0.0%	1,000		0.0%	1,000		0.0%	0.0%
<b>Total</b>	<b>500</b>		<b>0.0%</b>	<b>1,000</b>		<b>0.0%</b>	<b>2,469</b>	<b>66</b>	<b>2.7%</b>	<b>5,117</b>	<b>3,376</b>	<b>66.0%</b>	<b>7,701</b>	<b>6,613</b>	<b>85.9%</b>	<b>59.9%</b>

Note - 2016 Projection based on the 2016 Q3 Capital Variance Report



- Given the debt target of \$2.800 million in 2017 and \$2.750 million in 2018, the Sony Centre revisited its priorities for previously approved and current capital project requirements. As a result, door replacements as part of the building envelope project was deferred and replaced as below-the-line and was substituted with critical health and safety projects such as the exterior wall rehabilitation and elevator equipment modernization projects.
- Furthermore, Sony Centre's "Unmet Needs" was revised to consider the debt affordability targets, capacity to spend, and the allocated cash flow estimates over 10 years, discussed on Page 19 of this report.
- Sony Centre's Preliminary 10-Year Capital Budget and Plan consists mostly of health and safety projects to address risk of injury to staff and its patrons.
- The Sony Exterior Public Plaza project, to complete the west plaza, remains unspent as it is dependent upon the developer to deliver.

**Additional Projects Included in the 2017 – 2026 Capital Plan**

- The following projects were added to Sony Centre's 2017 Preliminary Capital Budget, which results in Sony Centre exceeding its debt target:
  - *Theatre Systems and Equipment (\$2.409 million)*
    - *Back of House Systems – Loading Dock (\$0.652 million)* – This project will install a motorized lift for loading and unloading equipment from the trucks parked in the loading dock. Currently, the Theatre faces an issue as there is no back-up support to load/unload equipment from the trucks.
    - *Stage Floor (\$0.919 million)* – The stage floor has been damaged due to a previous flooding. This project will replace the stage floor prior to the end of its useful life cycle, and prevent risk of injury to the stage performers.
    - *Fire Curtain (\$0.261 million)* – The existing fire curtain was installed in 1965 and since then, Sony Centre maintained the fire curtain using the "band-aid" method. However, the patching can no longer sustain the integrity of the curtain and it must be replaced to meet health and safety standards.
    - *Fall Arrest System - Front of House (\$0.577 million)* – Currently there are no fall arrest or restraint systems above the ceiling or at the balcony rail for the employees performing maintenance or installation work onsite. This project will address these safety hazards for workers.

**Porte-Cochere Lighting Restoration Project – Project and Funding Status**

- The Porte-Cochere Lighting Restoration Project was approved on June 16, 2016 by the Board of Directors of the Sony Centre entitled "*Sony Centre for the Performing Arts - Capital Projects with Federal Grant Opportunities*" (HB13.6).
- This project will restore the porte-cochere lighting and roof to its original design, for an estimated project cost of \$2.072 million. Planned funding sources were identified as follows:

Reallocated SOGR Funds	\$ 661,000
Section 37	\$ 450,000
Canada Cultural Spaces Fund - Federal Grant	\$ 736,000
Facility Fee Reserve Fund	\$ 175,000
Canada 150	\$ 50,000
<b>Total Funding</b>	<b>\$ 2,072,000</b>

- As a result of undertaking this project, Sony Centre's 2016 Capital Budget was adjusted for the following costs that have been approved-to-date:
  - \$0.661 million arising from the reallocation of Sony's 2016 Building Envelope project to the Porte-Cochere Lighting Project, approved by City Council at its meeting on July 12, 2016.
  - Sony Centre secured \$0.135 million of Section 37 community benefit funds (City Council approved MM20.30, and MM22.15 on July 12 and November 8 2016, respectively).
- This lighting project will not move forward in 2016 and therefore will result in a carry-forward of unspent capital funds from the 2016 allocation into 2017.
- In its 2017 Preliminary Capital Budget, further funding has been secured and added to the 2016 project cost:

- A \$0.500 million Federal Grant from the Canada Cultural Spaces Fund.
- \$0.175 million of contributions from the Sony Centre's Facility Fee Reserve Fund (XR3030).
- As the Canada Cultural Spaces Fund grant is only \$0.500 million, the project cost and funding estimates have been revised as follows:

	2016 Approved Capital Budget	2017 Preliminary Capital Budget	Additional Funding Required	Total Revised Cost
Reallocated SOGR Funds	\$ 661,000			\$ 661,000
Section 37	\$ 135,000		\$ 315,000	\$ 450,000
Canada Cultural Spaces Fund - Federal Grant*		\$ 500,000		\$ 500,000
Facility Fee Reserve Fund		\$ 175,000		\$ 175,000
Canada 150			\$ 50,000	\$ 50,000
<b>Total Funding</b>	<b>\$ 796,000</b>	<b>\$ 675,000</b>	<b>\$ 365,000</b>	<b>\$ 1,836,000</b>

\*Sony Centre does not expect to receive any additional grants from the Canada Cultural Spaces Fund.

- Approving the 2017 Preliminary Capital Budget will increase the approved project cost to \$1.471 million. Subsequent approval for other Section 37 community benefit funds and a Canada 150 grant will add \$0.365 million to Sony Centre's 2017 Capital Budget, once these funds are secured.
- The project will proceed once all required funds are available.

## Issues Impacting the 10-Year Capital Plan

### Unmet Needs

- Sony Centre has identified \$22.651 million in outstanding unfunded capital needs from the 2017 to 2026 timeframe.
- These have been classified as Health & Safety or SOGR projects that need to be addressed to avoid service interruption or legal claims, which accounts for \$1.879 million or 8.3% of the total unmet needs for Sony Centre
- This category accounts for \$1.879 million or 8.3% of the total unmet needs for Sony Centre.
  - *Theatre Systems and Equipment* – The *Stage Drapery* project will replace the existing stage drapery which is in poor condition and has not yet been tested to be fire-proof as required by the health and safety standards. As per the life-cycle of 6 years, the drapery will be replaced again in 2024.
  - *Vertical Transportation* – This project consist of two sub-projects which will replace the existing three dumbwaiters which will become obsolete by 2025, and modernizing the existing freight elevator which has not yet undergone any overhaul since its first installation in 1959.
  - *Fire Safety Systems* – The existing fire alarm system is in 19<sup>th</sup> year its 20-Year useful life cycle and Sony Centre must replace the system to remain compliant with the Fire Code of the Fire Protection and Prevention Act.

- The SOGR projects that reduce backlog account for \$17.172 million or 75.8% of the total unmet needs for Sony Centre.
  - Sony Centre will require total debt funding of \$9.551 million over the 10-Year period to address the theatre and mechanic systems and equipment, starting in 2017. These projects represent a significant portion of the outstanding SOGR backlog at the Sony Centre.
  - Other projects in this category include the interior/exterior finishes on the Theatre site, replacing motor control centres for its electrical systems and preparing for the building code review in the years 2020 and 2024.
- In 2021, Sony Centre will undertake Accessibility for Ontarians with Disabilities Act audit to ensure that the Theatre is in full compliance with the Act by 2025.

Project Description	Criteria	Total Project Expenditure	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Theatre Systems and Equipment</b>												
Stage Drapery	3	368.0			129.0					239.0		
<b>Vertical Transportation</b>												
Freight Elevator Modernization	3	304.0			304.0							
Elevator Modernization	3	1,000.0									450.0	550.0
<b>Fire Safety Systems</b>												
Replace Fire Alarm Systems & Annunciator Panel	3	207.0			15.0	192.0						
<b>Sub-Total</b>		1,879.0			448.0	192.0				239.0	450.0	550.0
<b>Interior Finishes</b>												
Basement Washroom and Locker Rooms	7	98.0						98.0				
Carpet Replacement - Public Areas	7	1,300.0								650.0	650.0	
Replace Acoustic Ceiling Tiles	7	704.0		347.0	357.0							
<b>Exterior Finishes</b>												
Exterior Hard Landscaping	7	1,000.0							500.0	500.0		
<b>Electrical Systems</b>												
Replace Motor Control Centres	7	669.0	161.0	165.0	169.0	174.0						
<b>Building Envelope</b>												
Door Replacement	7	3,724.0			1,200.0	1,200.0	1,324.0					
<b>Theatre Systems and Equipment</b>												
Audio System Infrastructure	7	127.0			127.0							
Acoustical Enhancement System	7	225.0				225.0						
Video Presentation and Monitoring System	7	467.0				155.0	312.0					
Building-Wide Program Audio/Paging Loudspeaker	7	186.0					186.0					
Theatrical Lighting FOH Control	7	129.0			129.0							
Main Line Array	7	1,596.0						1,596.0				
Lobby Video Wall	7	675.0						675.0				
Intercommunication System	7	127.0					127.0					
Microphones and Processing	7	183.0					183.0					
Stage Monitoring	7	265.0						265.0				
Houselight Lighting Control	7	154.0			154.0							
FOH Control	7	196.0						196.0				
Video Systems Infrastructure	7	443.0					443.0					
Dimmer Replacement	7	500.0								500.0		
<b>Building Code Review</b>												
Building Code Review	7	126.0				51.0				75.0		
<b>Mechanical Systems</b>												
Replace Cooling Tower #1	7	286.0				286.0						
Air Handling Unit Repair	7	486.0	486.0									
Replace Chiller #1	7	806.0						806.0				
Upgrade HVAC Distribution	7	1,200.0								350.0		850.0
Water Pipe Replacements	7	1,500.0								750.0	750.0	
<b>Sub-Total</b>		17,172.0	647.0	512.0	2,136.0	2,091.0	2,575.0	3,538.0	98.0	2,175.0	1,900.0	1,500.0
<b>AODA Audit</b>	2	3,600.0					3,600.0					
<b>Total</b>		22,651.0	647.0	512.0	2,584.0	2,283.0	6,175.0	3,538.0	98.0	2,414.0	2,350.0	2,050.0

1. Approved capital projects that are over debt target due to cost escalation.
2. Capital projects to ensure legislative compliance.
3. Health & Safety or SOGR projects that need to be addressed to avoid service interruption or legal claims.
4. Capital projects that leverage an opportunity that would otherwise be missed (financial/timing/coordination).
5. Capital projects that effect operating savings/efficiencies or cost avoidance.
6. Capital projects to implement approved Council priorities.
7. SOGR projects that reduce backlog.
8. Capital projects to address a sustained service demand.

### Sony Centre Redevelopment Project – Status Update

- The revised redevelopment project consisted of three phases: Phase 1: interior renovations to the theatre itself, Phase 2: construction of new backstage facilities, and Phase 3: Public Plaza and exterior renovations as outlined below:

Projects ('000's)	Total Funding/Project Cost	Spent
<b>Phase 1: interior Renovations</b>		
Renovation work to the interior of the theatre	35.488	35.488
Phase 1 Sub total	35.488	35.488
<b>Phase 2: Construction of New Backstage Facility</b>		
Replacement of backstage facilities (reconnect the mechanical & electrical systems)	0.616	0.616
Phase 2 Sub total	0.616	0.616
<b>Phase 3: Public Plaza &amp; Exterior Renovations</b>		
Public Plaza - West Side 2014	1.000	
Exterior Limestone & Granite Upgrades 2014	0.265	0.265
Pavers 2014 - Front	0.740	0.740
East Side Restoration 2014	0.200	0.081
Exterior Limestone & Granite Upgrades 2015	0.785	0.737
Phase 3 Sub total	2.990	1.823
<b>Total</b>	<b>39.094</b>	<b>37.927</b>

#### Phase 1: Interior Renovations

- The Phase 1 of renovations was completed and the Sony Centre re-opened in October 2010. The interior renovation work included relocation of mechanical and electrical systems, set-up of temporary backstage space to replace the old backstage space, restoration of bronze and wood elements, replacement of the auditorium seating and theatre furniture, and renovation of the existing facilities, including washrooms, lounges, and catering kitchen.

#### Phase 2: Construction of New Backstage Facility

- Phase 2 of the redevelopment and construction of new permanent backstage facilities, was completed in July 2014. The replacement backstage facilities were built and funded by the Developer. However, the Sony Centre incurred costs of \$0.616 million to re-establish the various connections to the existing facility. These expenditures were paid from the Sony Centre's Facility Fee Reserve Fund.

#### Phase 3: Public Plaza & Exterior Renovations

- The final phase of the redevelopment includes the Sony Centre's exterior renovations and the Public Plaza at a cost of \$2.990 million. The exterior renovations and the Public Plaza were funded through a combination of negotiated payments from the developer, development charges, and city debt.
- Sony Centre reported, through the 2016 Q3 Capital Variance Report, a projected year-end spending rate of 0% for the Sony Centre Plaza Project. Due to delays, the project has not started and the completion of the Plaza is dependent on the developer to deliver.

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# Appendices

# Appendix 1

## 2016 Performance

### 2016 Key Accomplishments

In 2016, Sony Centre for the Performing Arts made significant progress and/or accomplished the following:

- ✓ Successful completion of the orchestra pit and stage rigging system capital projects.
- ✓ Received approval of \$0.500 million in federal grants for its Porte-Cochere roof project.
- ✓ Began planning for the Porte-Cochere roof project, Seven Lively Arts mural lighting restoration and façade lighting project.
- ✓ Completion of the east side restoration project.

### 2016 Financial Performance

#### 2016 Budget Variance Analysis (in \$000's)

2016 Budget	As of Sept. 30, 2016		Projected Actuals at Year-End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
7,701	2,806	36.4%	6,613	85.9%	1,088	14.1%

\* Based on 2016 Third Quarter Capital Variance Report

The Sony Centre reported year-to-date spending rate of 35.8% as of September 30, 2016 and projects a year-end spending rate of 84.4%. The underspending is driven by the Sony Centre West Plaza which is the responsibility of the developer, is not yet complete, and will be carried forward. All other capital projects are expected to be complete by year end.

For additional information regarding the 2016 Q3 capital variances and year-end projections for Sony Centre for the Performing Arts, please refer to the attached link for the report entitled "*Capital Variance Report for the Nine-Month Period Ended September 30, 2016*" considered by City Council at its meeting on December 13, 2016.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.BU26.5>

### Impact of the 2016 Capital Variance on the 2017 Preliminary Capital Budget

- As a result of the delays in the capital projects, as described in the 2016 Q3 Capital Variance Report, funding of \$1.000 million is being carried forward to the 2017 Preliminary Capital Budget to continue the capital work.
- A detailed review of the 2017 – 2026 Preliminary Capital Budget and Plan has been conducted and the adjustments to the timing of the cash flows were made to its "Unmet Needs" list, as discussed on Page 19, which reallocated the capital projects based on priority given to health and safety projects, and the capacity to spend in any given year.

## Appendix 2

### 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan (\$000s)

Project	Total Project Cost	2017	2018	2019	2020	2021	2017 - 2021	2022	2023	2024	2025	2026	2017 - 2026 Total
<b>Health &amp; Safety:</b>													
<i>Theatre Systems and Equipment</i>	4,183	3,459	724				4,183						4,183
<i>Building Envelope</i>	1,600	1,600					1,600						1,600
<i>Vertical Transportation</i>	175		175				175						175
<b>Sub-Total</b>	<b>5,958</b>	<b>5,059</b>	<b>899</b>				<b>5,958</b>						<b>5,958</b>
<b>Legislated:</b>													
<i>Theatre Systems and Equipment</i>	60		60				60						60
<i>AODA Audit</i>	150	150					150						150
<b>Sub-Total</b>	<b>210</b>	<b>150</b>	<b>60</b>				<b>210</b>						<b>210</b>
<b>State of Good Repair:</b>													
<i>Theatre Systems and Equipment</i>	467		467				467						467
<i>Porte-Cochere Lighting Restoration</i>	810	810					810						810
<i>Building Envelope</i>	1,006		1,006				1,006						1,006
<i>Mechanical Systems</i>	156		156				156						156
<i>Structure</i>	162		162				162						162
<b>Sub-Total</b>	<b>2,601</b>	<b>810</b>	<b>1,791</b>				<b>2,601</b>						<b>2,601</b>
<b>Service Improvements:</b>													
<i>Sony Centre West Plaza</i>	1,000	1,000					1,000						1,000
<b>Sub-Total</b>	<b>1,000</b>	<b>1,000</b>					<b>1,000</b>						<b>1,000</b>
<b>Total</b>	<b>9,769</b>	<b>7,019</b>	<b>2,750</b>				<b>9,769</b>						<b>9,769</b>

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## Appendix 3

### 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan



**CITY OF TORONTO**

Gross Expenditures (\$000's)

**Appendix 3 - 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan**

**Sony Centre (Hummingbird)**

Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.	Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By														
						2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing			
<u>HUM908266 Vertical Transportation</u>																										
1	1	Lounge Elevator Equipment Modernization	28	S6	01	0	175	0	0	0	175	0	175	0	0	0	0	0	0	0	0	0	175	0	175	
		Sub-total				0	175	0	0	0	175	0	175	0	0	0	0	0	0	0	0	0	175	0	175	
<u>HUM908283 Structure</u>																										
1	1	Stage Roof Soffit Repairs	28	S6	03	0	162	0	0	0	162	0	162	0	0	0	0	0	0	0	0	0	162	0	162	
		Sub-total				0	162	0	0	0	162	0	162	0	0	0	0	0	0	0	0	0	162	0	162	
<u>HUM908401 AODA Audit</u>																										
0	1	Full Complete Audit	28	S4	02	150	0	0	0	0	150	0	150	0	0	0	0	0	0	0	0	0	150	0	150	
		Sub-total				150	0	0	0	0	150	0	150	0	0	0	0	0	0	0	0	0	150	0	150	
<u>HUM908436 Porte-Cochere Lighting Restoration</u>																										
0	1	Porte-Cochere Lighting Restoration (2017)	28	S4	03	675	0	0	0	0	675	0	675	0	500	0	0	175	0	0	0	0	0	0	675	
0	2	Porte-Cochere Lighting Restoration (2016)	28	S2	03	135	0	0	0	0	135	0	135	0	0	0	0	0	0	135	0	0	0	0	135	
		Sub-total				810	0	0	0	0	810	0	810	0	500	0	0	175	0	135	0	0	0	0	810	
<b>Total Program Expenditure</b>						7,019	2,750	0	0	0	9,769	0	9,769	0	500	300	0	175	0	135	700	7,959	0	9,769		



**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 3 - 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan**

**Sony Centre (Hummingbird)**

Sub- Project No. Project Name Priority SubProj No. Sub-project Name Ward Stat. Cat.					Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By											
					2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing
Financed By:																						
Federal Subsidy					500	0	0	0	0	500	0	500	0	500	0	0	0	0	0	0	500	
Development Charges					300	0	0	0	0	300	0	300	0	0	300	0	0	0	0	300		
Reserve Funds (Ind."XR" Ref.)					175	0	0	0	0	175	0	175	0	0	0	175	0	0	0	175		
Other1 (Internal)					135	0	0	0	0	135	0	135	0	0	0	0	135	0	0	135		
Other2 (External)					700	0	0	0	0	700	0	700	0	0	0	0	0	700	0	700		
Debt					5,209	2,750	0	0	0	7,959	0	7,959	0	0	0	0	0	7,959	0	7,959		
<b>Total Program Financing</b>					<b>7,019</b>	<b>2,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,769</b>	<b>0</b>	<b>9,769</b>	<b>0</b>	<b>500</b>	<b>300</b>	<b>175</b>	<b>0</b>	<b>135</b>	<b>700</b>	<b>7,959</b>	<b>0</b>	<b>9,769</b>

Status Code	Description
S2	S2 Prior Year (With 2017 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2017 and/or Future Year Cost\Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)
S6	S6 New - Future Year (Commencing in 2018 & Beyond)

Category Code	Description
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07

## Appendix 4

### 2017 Cash Flow and Future Year Commitments

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 4 - 2017 Cash Flow and Future Year Commitments**

**Sony Centre (Hummingbird)**

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By												
						2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<u>HUM907801 Sony Centre Exterior Plaza</u>																									
0	3	Public Plaza	CW	S2	04	1,000	0	0	0	0	1,000	0	1,000	0	0	300	0	0	0	0	700	0	0	1,000	
Sub-total						1,000	0	0	0	0	1,000	0	1,000	0	0	300	0	0	0	0	700	0	0	1,000	
<u>HUM908255 Theatre Systems and Equipment (2018-2026)</u>																									
0	7	Theatrical Performance Power Infrastructure System	28	S4	01	729	724	0	0	0	1,453	0	1,453	0	0	0	0	0	0	0	1,453	0	0	1,453	
Sub-total						729	724	0	0	0	1,453	0	1,453	0	0	0	0	0	0	0	0	1,453	0	0	1,453
<u>HUM908256 Theatre Systems and Equipment (2017)</u>																									
1	1	Stage Floor	28	S4	01	919	0	0	0	0	919	0	919	0	0	0	0	0	0	0	919	0	0	919	
0	11	Back of House Systems - Loading Dock	28	S4	01	652	0	0	0	0	652	0	652	0	0	0	0	0	0	0	652	0	0	652	
0	12	Fall Arrest System - Front of House	28	S4	01	577	0	0	0	0	577	0	577	0	0	0	0	0	0	0	577	0	0	577	
0	13	Fire Curtain	28	S4	01	261	0	0	0	0	261	0	261	0	0	0	0	0	0	0	261	0	0	261	
0	14	As-Built Documentation	28	S4	01	321	0	0	0	0	321	0	321	0	0	0	0	0	0	0	321	0	0	321	
Sub-total						2,730	0	0	0	0	2,730	0	2,730	0	0	0	0	0	0	0	0	2,730	0	0	2,730
<u>HUM908258 Building Envelope</u>																									
1	1	Exterior Wall Rehabilitation	28	S2	01	1,600	0	0	0	0	1,600	0	1,600	0	0	0	0	0	0	0	1,600	0	0	1,600	
Sub-total						1,600	0	0	0	0	1,600	0	1,600	0	0	0	0	0	0	0	0	1,600	0	0	1,600
<u>HUM908401 AODA Audit</u>																									
0	1	Full Complete Audit	28	S4	02	150	0	0	0	0	150	0	150	0	0	0	0	0	0	0	150	0	0	150	
Sub-total						150	0	0	0	0	150	0	150	0	0	0	0	0	0	0	0	150	0	0	150
<u>HUM908436 Porte-Cochere Lighting Restoration</u>																									
0	1	Porte-Cochere Lighting Restoration (2017)	28	S4	03	675	0	0	0	0	675	0	675	0	500	0	0	175	0	0	0	0	0	675	
0	2	Porte-Cochere Lighting Restoration (2016)	28	S2	03	135	0	0	0	0	135	0	135	0	0	0	0	0	135	0	0	0	0	135	
Sub-total						810	0	0	0	0	810	0	810	0	500	0	0	175	0	135	0	0	0	810	
<b>Total Program Expenditure</b>						<b>7,019</b>	<b>724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,743</b>	<b>0</b>	<b>7,743</b>	<b>0</b>	<b>500</b>	<b>300</b>	<b>0</b>	<b>175</b>	<b>0</b>	<b>135</b>	<b>700</b>	<b>5,933</b>	<b>0</b>	<b>0</b>	<b>7,743</b>

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 4 - 2017 Cash Flow and Future Year Commitments**

**Sony Centre (Hummingbird)**

		Current and Future Year Cash Flow Commitments and Estimates									Current and Future Year Cash Flow Commitments and Estimates Financed By										
		2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.																
Financed By:																					
		Federal Subsidy				500	0	0	0	0	500	0	500	0	0	0	0	0	0	500	
		Development Charges				300	0	0	0	0	300	0	300	0	0	0	0	0	0	300	
		Reserve Funds (Ind."XR" Ref.)				175	0	0	0	0	175	0	175	0	175	0	0	0	0	175	
		Other1 (Internal)				135	0	0	0	0	135	0	135	0	0	0	135	0	0	135	
		Other2 (External)				700	0	0	0	0	700	0	700	0	0	0	0	700	0	700	
		Debt				5,209	724	0	0	0	5,933	0	5,933	0	0	0	0	5,933	0	5,933	
		<b>Total Program Financing</b>				<b>7,019</b>	<b>724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,743</b>	<b>0</b>	<b>7,743</b>	<b>0</b>	<b>175</b>	<b>0</b>	<b>135</b>	<b>700</b>	<b>5,933</b>	<b>0</b>	<b>7,743</b>

Status Code	Description
S2	S2 Prior Year (With 2017 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2017 and/or Future Year Cost\Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)

Category Code	Description
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07

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## Appendix 5

### 2017 Preliminary Capital Budget with Financing Detail

(Phase 2) 55-Sony Centre (Hummingbird) Sub-Project Category: 01,02,03,04,05,06,07 Type: B Sub-Project Status: S2 Type: C Sub-Project Status: S2,S3,S4,S5



**CITY OF TORONTO**  
**Appendix 5 - 2017 Preliminary Capital Budget with Financing Detail**  
**Sony Centre (Hummingbird)**  
**Sub-Project Summary**

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2017	Financing									
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
<b>0</b>	<b><u>HUM907801 Sony Centre Exterior Plaza</u></b>													
0	3 Public Plaza	10/30/2013	12/31/2015	1,000	0	0	300	0	0	0	0	700	0	0
	<b>Project Sub-total:</b>			1,000	0	0	300	0	0	0	0	700	0	0
<b>0</b>	<b><u>HUM908256 Theatre Systems and Equipment (2017)</u></b>													
0	11 Back of House Systems - Loading Dock	01/02/2017	12/31/2017	652	0	0	0	0	0	0	0	0	652	0
0	12 Fall Arrest System - Front of House	01/02/2017	12/31/2017	577	0	0	0	0	0	0	0	0	577	0
0	13 Fire Curtain	01/02/2017	12/31/2017	261	0	0	0	0	0	0	0	0	261	0
0	14 As-Built Documentation	01/02/2017	12/31/2017	321	0	0	0	0	0	0	0	0	321	0
1	1 Stage Floor	01/02/2016	12/31/2025	919	0	0	0	0	0	0	0	0	919	0
	<b>Project Sub-total:</b>			2,730	0	0	0	0	0	0	0	0	2,730	0
<b>0</b>	<b><u>HUM908401 AODA Audit</u></b>													
0	1 Full Complete Audit	01/01/2017	12/31/2017	150	0	0	0	0	0	0	0	0	150	0
	<b>Project Sub-total:</b>			150	0	0	0	0	0	0	0	0	150	0
<b>0</b>	<b><u>HUM908436 Porte-Cochere Lighting Restoration</u></b>													
0	1 Porte-Cochere Lighting Restoration (2017)	01/01/2016	12/31/2020	675	0	500	0	0	175	0	0	0	0	0
0	2 Porte-Cochere Lighting Restoration (2016)	01/02/2016	12/31/2020	135	0	0	0	0	0	0	135	0	0	0
	<b>Project Sub-total:</b>			810	0	500	0	0	175	0	135	0	0	0
<b>1</b>	<b><u>HUM908255 Theatre Systems and Equipment (2018-2026)</u></b>													
0	7 Theatrical Performance Power Infrastructure System	01/01/2017	12/31/2018	729	0	0	0	0	0	0	0	0	729	0
	<b>Project Sub-total:</b>			729	0	0	0	0	0	0	0	0	729	0
<b>1</b>	<b><u>HUM908256 Building Envelope</u></b>													
1	1 Exterior Wall Rehabilitation	01/02/2016	12/31/2017	1,600	0	0	0	0	0	0	0	0	1,600	0
	<b>Project Sub-total:</b>			1,600	0	0	0	0	0	0	0	0	1,600	0
<b>Program Total:</b>														
				7,019	0	500	300	0	175	0	135	700	5,209	0

**Status Code Description**  
 S2 S2 Prior Year (With 2017 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2017 and/or Future Year Cost/Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)

**Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06

**Category Code Description**  
 07 Reserved Category 2 C07



## Appendix 6

### Reserve / Reserve Fund Review

#### Reserve / Reserve Fund – Program Specific (\$000s)

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2016 *	Contributions / (Withdrawals)										2017 - 2026 Total Contributions / (Withdrawals)
			2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	
Facility Fee Reserve Fund (XR3030)	Beginning Balance	846	846	836	836	836	836	836	836	836	836	836	
	Withdrawals (-)												
	<i>Chattel Asset Purchases</i>	(989)	(892)	(906)	(921)	(936)	(1,037)	(1,052)	(1,068)	(1,085)	(850)	(867)	(9,615)
	<i>Adamson Sound Equipment</i>	(85)	(85)	(85)	(85)	(85)							(340)
	<i>Porte-Cochere Lighting Restoration</i>		(175)										(175)
	<b>Total Withdrawals</b>	<b>(1,074)</b>	<b>(1,152)</b>	<b>(991)</b>	<b>(1,006)</b>	<b>(1,021)</b>	<b>(1,037)</b>	<b>(1,052)</b>	<b>(1,068)</b>	<b>(1,085)</b>	<b>(850)</b>	<b>(867)</b>	<b>(10,130)</b>
	Contributions (+)												
	<i>Ticket Surcharge</i>	674	725	740	754	770	785	801	817	833	850	867	7,941
	<i>Naming Rights</i>	401	417	433	451	469	480	491	503	515	527	539	4,824
	<b>Total Contributions</b>	<b>1,074</b>	<b>1,142</b>	<b>1,173</b>	<b>1,205</b>	<b>1,238</b>	<b>1,265</b>	<b>1,292</b>	<b>1,319</b>	<b>1,348</b>	<b>1,376</b>	<b>1,406</b>	<b>12,765</b>
<b>Total Reserve Fund Balance at Year-End</b>		<b>846</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	<b>836</b>	

\* Based on the 2016 Q3 Variance Report