STAFF REPORT
INFORMATION ONLY

Union Station – Federal/Provincial Funding

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<th>Date:</th>
<th>July 29, 2009</th>
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<td>To:</td>
<td>City Council</td>
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<td>From:</td>
<td>City Manager</td>
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<td>Deputy City Manager and Chief Financial Officer</td>
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<td>Ward 28, Toronto Centre Rosedale</td>
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SUMMARY

On June 2, 2009 the Executive Committee recommended that the Chief Corporate Officer undertake the Union Station Revitalization Project subject to a number of conditions including confirmation of Federal and Provincial funding.

This report confirms funding commitments from the Federal and Provincial Governments, subject to execution of the related contribution agreements.

Financial Impact

On July 24, 2009 the Federal and Provincial Governments announced their funding in the amount of $305 million. In addition a letter was received from VIA Rail committing to $25 million towards the revitalization of their space within the station. Coupled with the Federal Government funding commitment of $6.5 million for the Transit Secure Program, total contributions from these sources amount to $336.5 million. The balance of the $640 million cost of the revitalization, which amounts to $303.5 million, will be funded by the City.

Details of the City’s funding plan for this project are included in EX33.44(a) Confidential Attachment 1 and in a companion report dealing with the recommended Head Lessee.

COMMENTS

This report confirms the funding commitments from the Federal and Provincial Governments towards the revitalization of Union Station as follows:
a) Federal Government contribution to the Revitalization of Union Station in the amount of $133 million subject to execution of the Contribution Agreement and Treasury Board approval;

b) Provincial Government approval of funding in the amount of $172 million towards the Revitalization;

c) VIA Rail contribution of $25 million to be used towards the restoration and revitalization of the VIA Rail space within the station; and

d) Transit secure funding in the amount of $6.5 million previously committed.

The VIA Rail funding is to revitalize VIA Rail’s space within the station, including a new First Class lounge, catering facilities and baggage handling system. The combined Federal and Provincial contribution to the revitalization of Union Station is $336.5 million. The revitalization of Union Station is forecast to be carried out from 2009-2015 at a total estimated cost of $640 million.

CONCLUSION

Staff have concluded a series of negotiations resulting in the funding commitments from both the Federal and Provincial Governments towards the revitalization of Union Station.

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SIGNATURE

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