



Sony Centre for the Performing Arts

2014 – 2023 CAPITAL BUDGET AND PLAN OVERVIEW

2014 – 2023 Capital Budget and Plan Highlights

The Sony Centre for the Performing Arts 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 Theatre recently underwent extensive renovations that restored the elegance of the original O'Keefe Centre with an estimated replacement value of \$150 million.

State of Good Repair (SOGR) projects are the primary focus of the 2014–2023 Recommended Capital Budget and Plan and will allow the Centre to fulfill its heritage easement agreement obligations to upgrade the exterior limestone and granite, sidewalk pavers, and restore the east side grounds after the temporary dressing rooms are removed.

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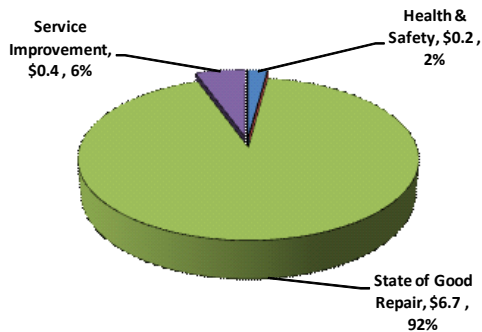
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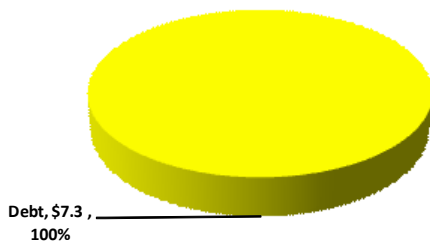
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Capital Spending and Financing

2014-2023 Capital Budget and Plan Expenditures
\$7.235 Million
(\$Million)



2014-2023 Capital Budget and Plan by Funding Source
\$7.235 Million
(\$Million)



Where does the money go?

The 2014–2023 Recommended Capital Budget and Plan totals \$7.235 million. It provides funding for Health and Safety projects of \$0.154 million; State of Good Repair projects of \$6.681 million; and Service Improvement projects of \$0.400 million.

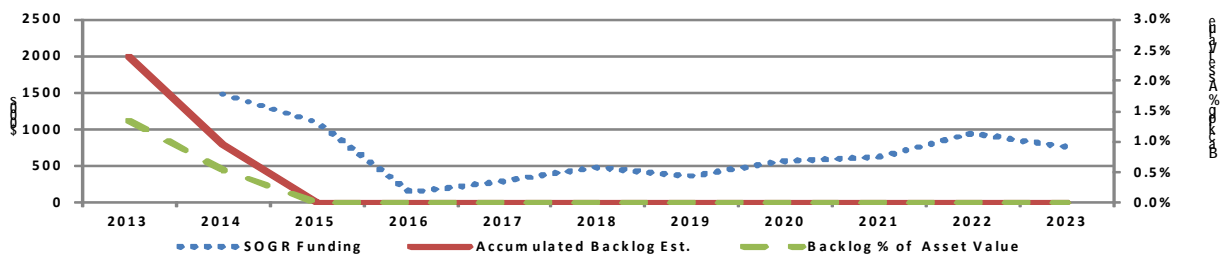
The 10-Year Recommended Capital Plan is focused on upgrades to Heritage Easement projects (\$1.990 million), maintaining the Centre's building and equipment (\$6.681 million), and fitting out the space under the plaza to use for meetings and receptions in order to enhance its corporate event business.

Where does the money come from?

The 10-year Recommended Capital Plan requires new debt funding of \$7.235 million, which is below the debt affordability guideline in each year except 2015 and 2018 by a total of \$1.235 million over the 10-year planning period.

- Debt funding of \$7.235 million comprises 100% of the Sony Centre 10-year capital funding.

State of Good Repair Backlog



The 10-Year Recommended Capital Plan spending on State of Good Repair is \$6.681 million which will eliminate the backlog of \$1.990 million by 2015 and represents 1.3% of the asset value in 2015.

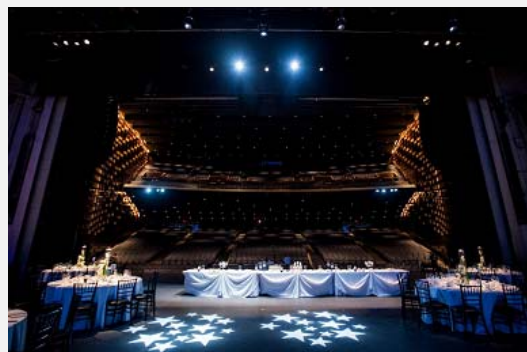
Key Challenge and Priority Action

- **Future of the Three Major Civic Theatres –**
In September 2011, City Council directed the City Manager to determine options for sale, lease, operation or other arrangements in respect to the Sony Centre, St. Lawrence Centre and Toronto Centre. As a result, the Board of Sony Centre was directed to develop a long-term strategic plan and a 5 year business plan. The complete and final consultants' report will be submitted to the General Manager of Economic, Development and Culture (EDC) for review and consideration along with the consultants' reports for St. Lawrence Centre and Toronto Centre. EDC will work with the City's Theatre Working Group to seek co-ordination and efficiency opportunities among the three theatres. Future recommendations arising from this process may impact Sony Centre's 2015 and future Capital Budgets.

2014 Capital Budget Highlights

The 2014 Recommended Capital Budget for Sony Centre of \$2.469 million will:

- Begin mandatory exterior building upgrades arising from a Heritage Easement Agreement entered into as part of the site redevelopment (\$1.205 million);
- Commence construction of the Public Plaza space on the west side of Sony Centre upon completion of the condominium tower (\$1 million);
- Undertake state-of-good-repair work to both the interior and exterior of the Centre including:
 - Canopy and Stage Tower Roof repairs (\$0.075 million); and
 - Electrical Upgrades (\$0.189 million);



II: RECOMMENDATIONS

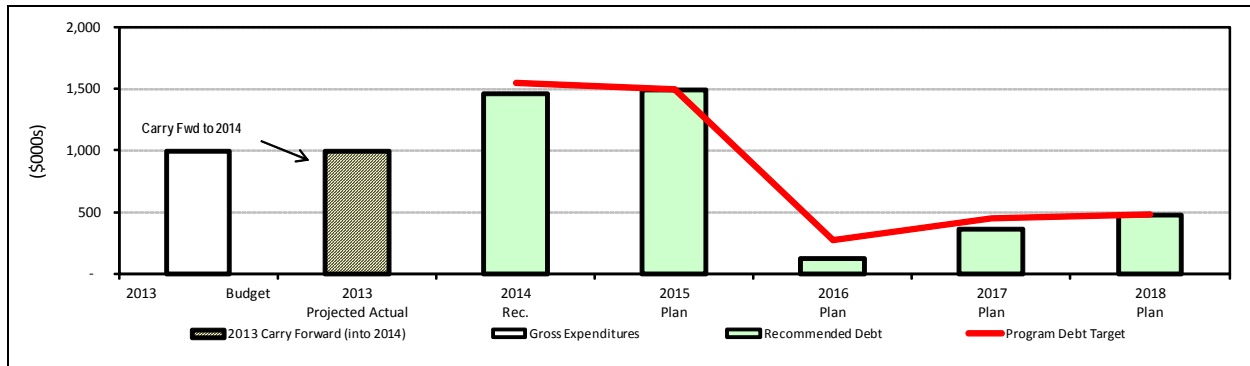
Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2014 Recommended Capital Budget for Sony Centre for the Performing Arts with a total project cost of \$1.469 million and 2014 cash flow of \$2.469 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i) 5 new / change in scope sub-projects with a 2014 total project cost of \$1.469 million that requires cash flow of \$1.469 million in 2014.
 - b) 2013 approved cash flow for 1 previously approved sub-project with carry forward funding from 2013 into 2014 totaling \$1.000 million.
2. City Council approve new debt service costs of \$0.026 million in 2014 to be included in the 2014 operating budget.
3. City Council approve the 2015-2023 Recommended Capital Plan for Sony Centre for the Performing Arts totaling \$5.766 million in project estimates, comprised of \$1.498 million in 2015; \$0.130 million in 2016; \$0.371 million in 2017; \$0.477 million in 2018; \$0.350 million in 2019; \$0.562 million in 2020; \$0.687 million in 2021; \$0.938 million in 2022; and \$0.753 million in 2023.

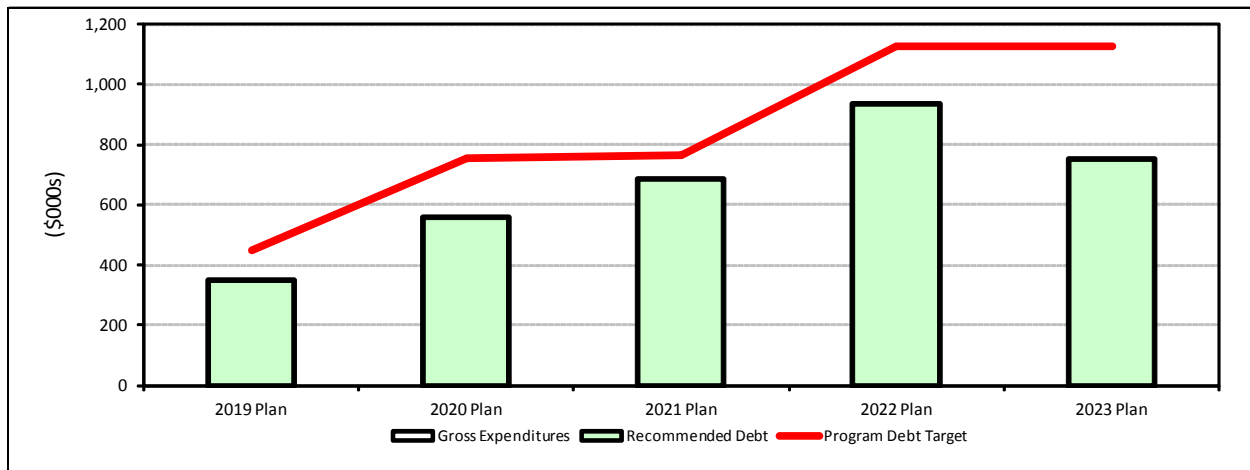
III: 10-YEAR CAPITAL PLAN

10 - Year Capital Plan 2014 Recommended Budget, 2015 – 2018 Recommended Plan (In \$000s)



	2014 Budget and 2015 - 2018 Plan								5-Year Total Percent
	2013		2014	2015	2016	2017	2018	2014 - 2018	
	Budget	Projected Actual							
Gross Expenditures:									
2013 Capital Budget & Approved FY Commitments	1,000	-							
Recommended Changes to Approved FY Commitments			1,469					1,469	37.2%
2014 New/Change in Scope and Future Year Commitments				1,498	130	371	477	2,476	62.8%
2015- 2018 Capital Plan Estimates									
2-Year Carry Forward for Reapproval									
1-Year Carry Forward to 2014		1,000							
Total Gross Annual Expenditures & Plan	1,000	1,000	1,469	1,498	130	371	477	3,945	100.0%
Program Debt Target			1,554	1,498	271	448	477	4,248	
Financing:									
Recommended Debt			1,469	1,498	130	371	477	3,945	100.0%
Reserves/Reserve Funds									
Development Charges	300	300							
Provincial/Federal									
Debt Recoverable									
Other Revenue	700	700							
Total Financing	1,000	1,000	1,469	1,498	130	371	477	3,945	100.0%
By Project Category:									
Health & Safety Legislated						77		77	2.0%
SOGR			1,469	1,098	130	294	477	3,468	87.9%
Service Improvement	1,000	1,000		400				400	10.1%
Growth Related									
Total by Project Category	1,000	1,000	1,469	1,498	130	371	477	3,945	100.0%
Asset Value (\$) at year-end		150,000	150,000	150,000	150,000	150,000	150,000		
Yearly SOGR Backlog Estimate (not addressed by current plan)			(1,205)	(785)				(1,990)	
Accumulated Backlog Estimate (end of year)		1,990		785					
Backlog: Percentage of Asset Value (%)		1.3%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	
Debt Service Costs			26	177	156	20	46	425	
Operating Impact on Program Costs									
New Positions									

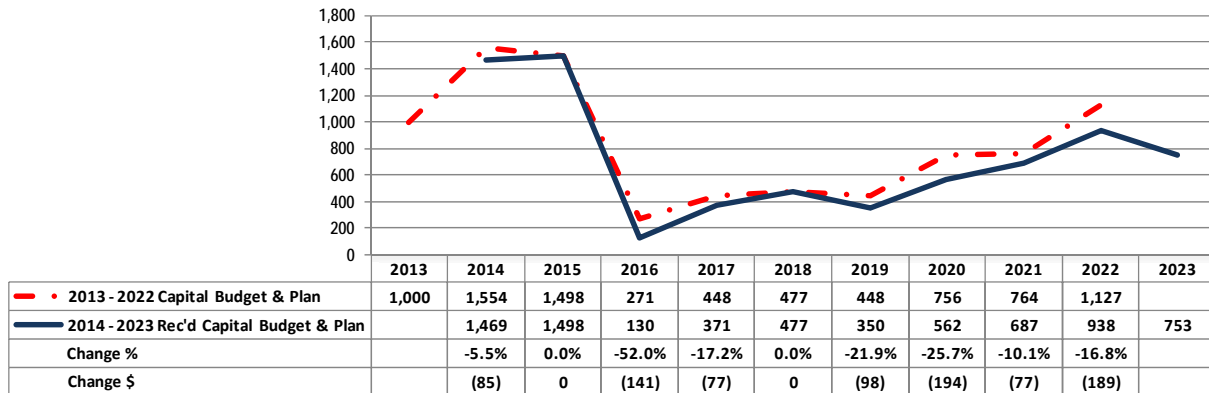
**10 - Year Capital Plan
2019 - 2023 Recommended Plan
(In \$000s)**



	2019 - 2023 Capital Plan						10-Year Total Percent
	2019	2020	2021	2022	2023	2014 - 2023	
Gross Expenditures:							
2013 Capital Budget & Approved FY Commitments							
Recommended Changes to Approved FY Commitments							
2014 New/Change in Scope and Future Year Commitments						1,469	20.3%
2019 - 2023 Capital Plan Estimates	350	562	687	938	753	5,766	79.7%
Total Gross Annual Expenditures & Plan	350	562	687	938	753	7,235	100.0%
Program Debt Target	448	756	764	1,127	1,127	8,470	
Financing:							
Recommended Debt	350	562	687	938	753	7,235	100.0%
Reserves/Reserve Funds							
Development Charges							
Provincial/Federal							
Debt Recoverable							
Other Revenue							
Total Financing	350	562	687	938	753	7,235	100.0%
By Project Category:							
Health & Safety			77			154	2.1%
Legislated						-	
SOGR	350	562	610	938	753	6,681	92.3%
Service Improvement						400	5.5%
Growth Related						-	
Total by Project Category	350	562	687	938	753	7,235	100.0%
Asset Value(\$) at year-end	150,000	150,000	150,000	150,000	150,000		
Yearly SOGR Backlog Estimate (not addressed by current plan)							
Accumulated Backlog Estimate (end of year)							
Backlog: Percentage of Asset Value (%)	0.0%	0.0%	0.0%	0.0%	0.0%		
Debt Service Costs	55	46	70	87	110	793	
Operating Impact on Program Costs							-
New Positions							-

Key Changes to the 2013 - 2022 Approved Capital Plan

Changes to the 2013 -2022 Approved Capital Plan
(In \$000s)



The 2014 Recommended Capital Budget and the 2015 - 2023 Recommended Capital Plan reflects a decrease of \$0.108 million from the 2013 to 2022 Approved Capital Plan.

Changes to the 2013 – 2022 Approved Capital Plan are based on the following factors:

- The project cost for the *Exterior Limestone and Granite Upgrades* project decreased by \$0.600 million to reflect current quotes and to separate out the work required to restore the east side exterior grounds after removing the temporary dressing rooms.
- The *East Side Restoration* project (\$0.200 million) is a new sub-project which brings back the east side exterior grounds to its original state after taking away the temporary dressing room. This project was included as part of the heritage easement agreement upgrades in the 2013 10-Year Capital Plan but has been separated out in the 2014-2023 Recommended Capital Plan for clarity.
- The *Fit Out of Space Under Plaza* project (\$0.400 million) is a new sub-project that will finish the space under the exterior plaza in order to use the area for meetings and receptions to enhance Sony Centre's corporate food and beverage business.
- Various sub-projects to *Upgrade the Permanent Capital Asset* (\$0.861 million) were deleted from the 2013-2022 Approved Capital Plan as the projects did not meet the City's definition as an eligible capital expenditure and will be funded through the Theatre's operating budget as minor maintenance activities.

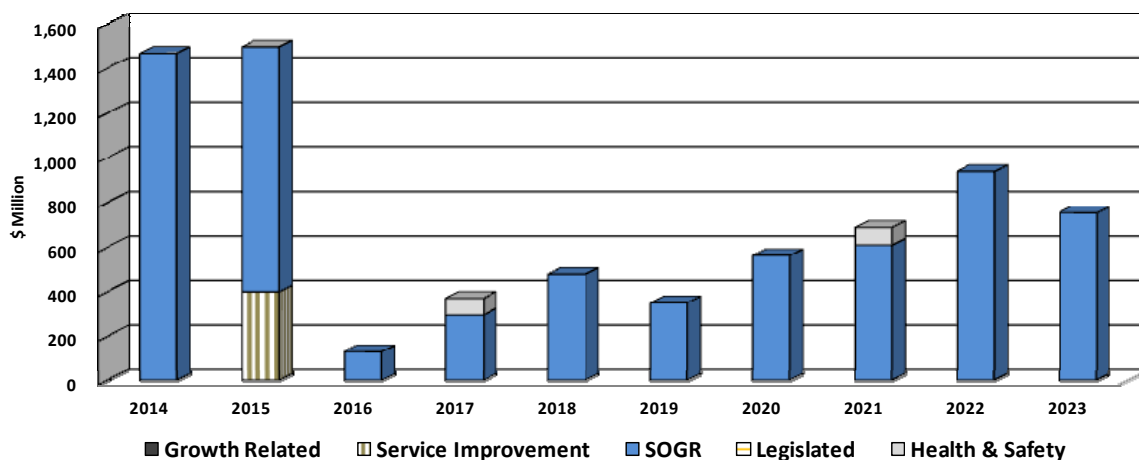
The following chart details the key project cash flow changes to the 2014 – 2023 Approved Capital Plan.

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

	Total Project Cost	2014		2015		2016		2017		2018		2014 - 2018		2014 - 2022		Revised Total Project
		Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	
Previously Approved																
Exterior Limestone & Granite Upgrades	1,650	(200)	(200)	(400)	(400)							(600)	(600)	(600)	(600)	1,050
Upgrades to Permanent Capital Assets	4,092													753	753	4,845
Total Previously Approved	5,742	(200)	(200)	(400)	(400)							(600)	(600)	153	153	5,895
New																
East Side Restoration	-	200	200									200	200	200	200	200
Fit Out of Space Under Plaza	-			400	400							400	400	400	400	400
Total New	-	200	200	400	400							600	600	600	600	600
Deleted																
Auditorium & Lobby - Finishes/Seats	482					(141)	(141)					(141)	(141)	(482)	(482)	
Service & Admin Area - Finishes	278	(85)	(85)					(77)	(77)			(162)	(162)	(278)	(278)	
West Side Back of House - Finishes	101											-	-	(101)	(101)	
Total Deleted	861	(85)	(85)			(141)	(141)	(77)	(77)			(303)	(303)	(861)	(861)	
Total Changes	6,603	(85)	(85)			(141)	(141)	(77)	(77)			(303)	(303)	(108)	(108)	6,495

2014 – 2023 Recommended Capital Plan

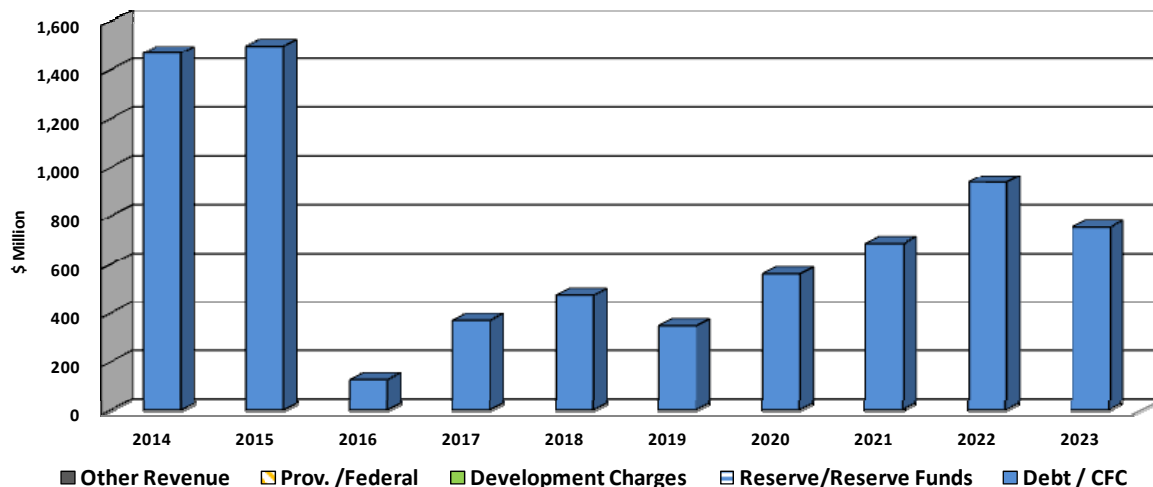
**2014 – 2023 Capital Plan by Project Category
(In \$000s)**



- The 10-Year Recommended Capital Plan for Sony Centre for the Performing Arts of \$7.235 million provides funding for Health and Safety projects of \$0.154 million; State of Good Repair (SOGR) projects of \$6.681 million; and Service Improvement projects of \$0.400 million.
- Health and Safety projects of \$0.154 million account for 2% of project funding included in the 10-Year Recommended Capital. It includes one sub-project for life safety systems that requires cash flow funding of \$0.077 million in 2017 and 2021.

-
- State of Good Repair projects of \$6.681 million account for 92% of projects in the 10-Year Recommended Capital Plan and include Heritage Easement upgrades (\$1.990 million) and various upgrades to the interior and exterior of the Centre (\$4.691 million).
 - The Heritage Easement Agreement upgrades include exterior limestone and granite cladding repairs of \$1.050 million, improvements to the sidewalk on the north and east side of the Centre for \$0.740 million, and restoration of the east side exterior grounds after removing the temporary dressing rooms for \$0.200 million. These projects are mandatory and must be completed before the end of 2015 as per the Heritage Easement Agreement entered into by the City and Board of the Sony Centre in July 2008.
 - Improvements to the interior and exterior of the Centre's building include various sub-projects like Mechanical (HVAC) upgrades (\$2.053 million), Electrical improvements (\$1.287 million), Canopy and Stage Tower Roof Repairs (\$1.021 million), and elevator upgrades (\$0.330 million). None of these were a part of the major interior renovation project in 2009.
 - One Service Improvement sub-project totaling \$0.400 million accounts for 5.5% of funding in the 10-Year Recommended Capital Plan and will fit out the space under the public plaza for corporate events which will enhance the Centre's food and beverage business.
 - The first 5 years of the Capital Plan has total spending of \$3.945 million, with the highest spending in 2014 (\$1.469 million) and 2015 (\$1.498 million) due to the Heritage Easement Agreement capital projects and fit out of the space below the plaza project.
 - In the second half of the 10-Year Capital Plan period, spending ramps up between 2020 and 2023 to address mechanical, canopy and stage tower roof upgrades.

2014–2023 Capital Plan by Funding Source
(In \$000s)



- The 10-Year Recommended Capital Plan of \$7.343 million will be fully financed by debt.
- The recommended debt funding is below the 10-year debt affordability guidelines of \$8.470 million allocated to this Program by \$1.235 million. This was due to excluding projects that did not meet the eligibility of capital expenditures.

Major Capital Initiatives by Category

Summary of Major Capital Initiatives by Category
(In \$000s)

	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2014 - 2023 Total
Health & Safety											
Life Safety Systems				77				77			154
Sub-Total				77				77			154
State of Good Repair											
Heritage Easement Agreement Upgrades	1,205	785									1,990
Upgrades to Permanent Capital Assets	264	313	130	294	477	350	562	610	938	753	4,691
Sub-Total	1,469	1,098	130	294	477	350	562	610	938	753	6,681
Service Improvements											
Fit Out of Break Out Space Under Plaza		400									400
Sub-Total		400									400
Total Expenditures by Category	1,469	1,498	130	371	477	350	562	687	938	753	7,235

Major Capital Initiatives

The 10-Year Recommended Capital Plan supports Sony Centre's objectives of fulfilling its Heritage Easement Agreement requirements and maintaining the Centre's capital assets in working order.

Health and Safety

- The 10-Year Recommended Capital Plan provides \$0.154 million or 2% of total funding to a Life Safety System project.

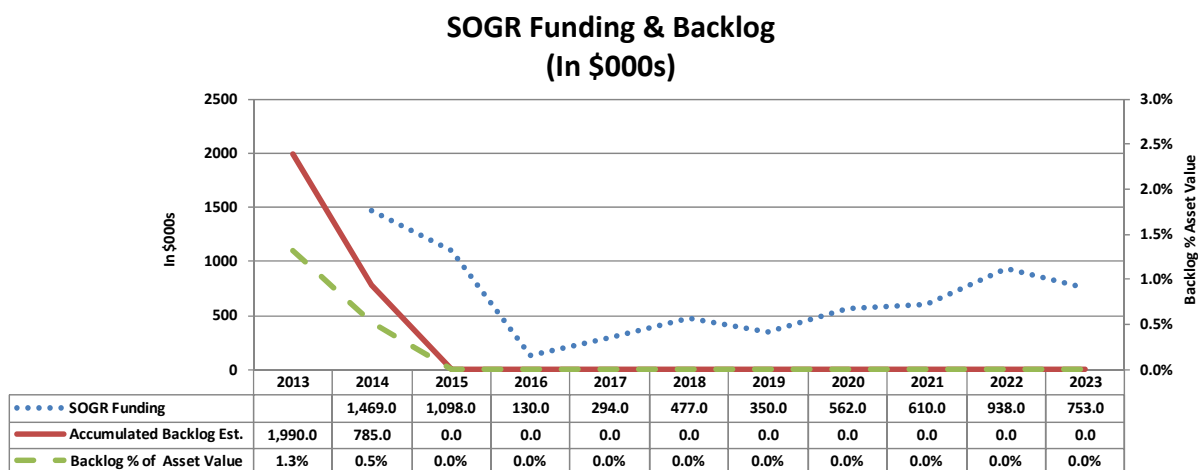
State of Good Repair (SOGR)

- The 10-Year Recommended Capital Plan provides \$6.681 million or 92% of total funding to State-of-Good-Repair projects including Heritage Easement Agreement upgrades of \$1.990 million and various upgrades to permanent capital assets of \$4.691 million as required.

Service Improvement Projects

- The 10-Year Recommended Capital Plan also provides \$0.400 million or 5.5% of total funding in 2015 to a Service Improvement project which finishes the space under the exterior public plaza to be used as additional space for meetings and receptions in order to enhance the corporate food and beverage business.

State of Good Repair (SOGR) Backlog



The 10-Year Recommended Capital Plan dedicates \$3.468 million to SOGR spending in the first five years of the Plan and \$3.213 million over the last five years which on average is \$0.668 million annually.

- While Sony Centre underwent a major renovation between 2009 and 2010, not all of the facility was refurbished. Current and future year state-of-good-repair needs of \$6.681 million include Heritage Easement Agreement, mechanical, electrical, canopy and stage tower roof repairs, elevator and backstage upgrades that are still required.
- Sony Centre has an SOGR backlog comprised of three Heritage Easement Agreement capital sub-projects totalling \$1.990 million as of 2013, representing 1.3% of the facility's \$150 million asset value.

- The Centre will eliminate its SOGR backlog by the end of 2015 and fulfill its obligations under the Heritage Easement Agreement entered into by the Board of Directors of the Sony Centre and the City in 2008.
- Funding of \$6.681 million to finance state-of-good-repair capital projects between 2014 and 2023 will prevent Sony Centre from accumulating an SOGR backlog.
- The Centre has also identified chattel asset purchases amounting to \$0.293 million in 2014 to which Sony Centre will continue to apply its ticket surcharge and naming right funds through its 2014 Operating Budget.

10-Year Capital Plan: Impact on the Operating Budget

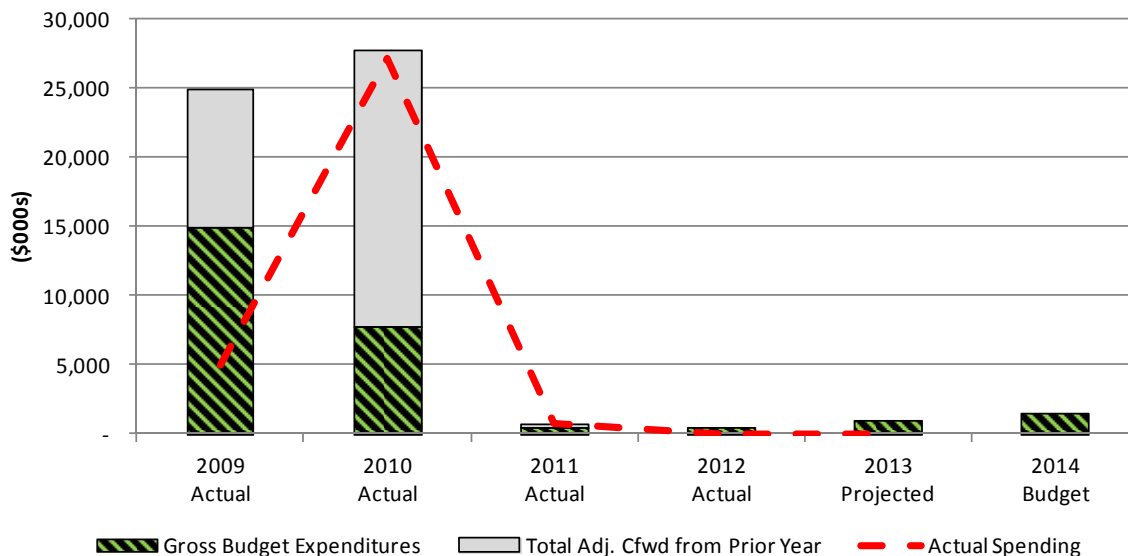
Any operating impacts of capital projects will be absorbed within Sony Centre's 2014 Recommended Operating Budget.

Capital Project Delivery: Temporary Positions

Approval of the 2014 – 2023 Recommended Capital Budget and Plan will not require any new temporary capital positions to deliver the following capital projects.

Capacity to Spend

Capacity to Spend – Budget vs. Actual
(In \$000s)

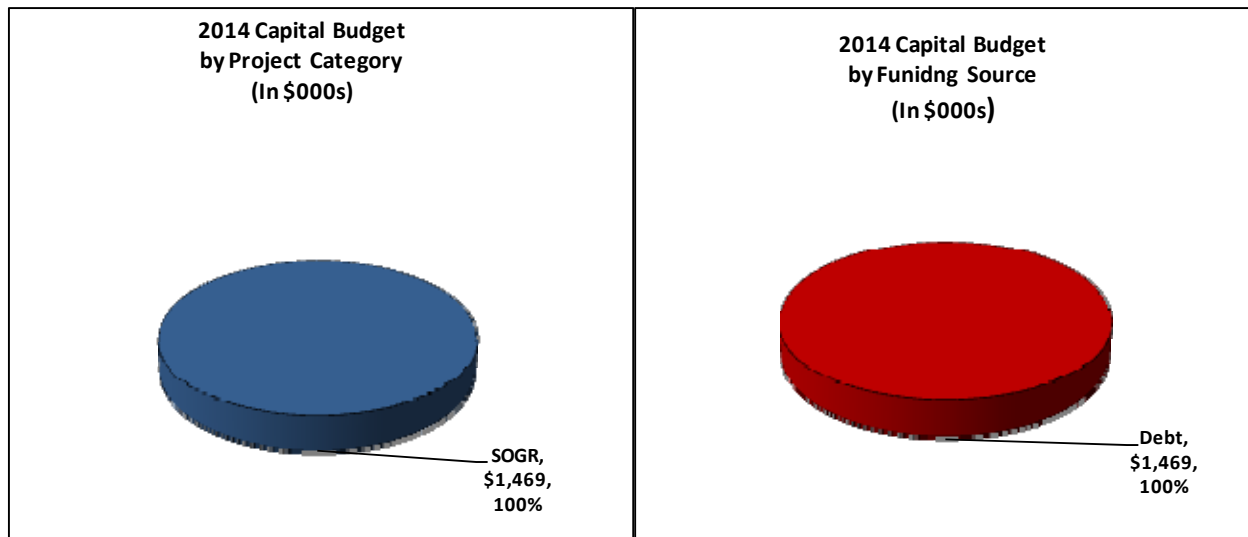


- Between 2008 and 2011 Sony Centre undertook a major renovation of the Centre at a total project cost of \$35.469 million.

- Construction was scheduled to begin in August 2008 but due to delays in the application process, securing developer funding and sewage back-up issues, construction did not commence until October 2009.
- In 2009, \$4.949 million or 20% of the 2009 planned cash flows (including carry forward funding) of \$24.904 million had been spent.
- In 2010, \$27.148 million or 99% of the 2010 planned cash flow (including carry forward funding) of \$27.402 million had been spent.
- In 2011, \$0.755 million or 100% of the 2011 planned cash flow had been spent completing the project.
- In 2012, Sony Centre did not spend its planned cash flow of \$0.500 million due to delays in the completion of the condominium tower which prevented the planning and design work on the public plaza space. The project was closed at the end of 2012 as the developer undertook the delivery of the project in kind.
- In October 2013, City Council adopted a motion to re-instate the Public Plaza project for \$1.000 million in Sony Centre's 2013 Capital Budget funded by \$0.700 million from the developer and \$0.300 million from development charge funds designated for civic improvements. Due to on-going delays in the completion of the condominium tower, work on the public plaza has yet to begin. Unspent funds will be carried forward from 2013 to 2014.
- The 2014 Recommended Capital Budget of \$1.469 million includes three Heritage Easement Agreement sub-projects that must be completed before the end of 2015, repairs to the canopy and stage tower roofs, and electrical panel upgrades.
- The Centre is prepared to commence these Heritage Easement Agreement sub-projects in the summer and complete them by the end of 2014 subject to the completion of the condominium complex.

IV: 2014 RECOMMENDED CAPITAL BUDGET

2014 Capital Budget by Project Category and Funding Source



Note: Excludes carry forward funding

The 2014 Recommended Capital Budget, excluding funding carried forward from 2013 to 2014, requires new 2014 cash flow funding of \$1.469 million.

- State of Good Repair projects account for \$1.469 million or 100% of the 2014 Capital Budget.
- The 2014 Capital Budget for Sony Centre for the Performing Arts is fully funded from debt. This is below the debt affordability guideline of \$1.554 million set for this Program in 2014 as 1 sub-project did not meet the eligibility criteria as a capital expenditure and was not recommended.

2014 Recommended Cash Flow & Future Year Commitments
(In \$000s)

	2012 & Prior Year Carry Forward	2013 Previously Approved Cash Flow Commitments	2014 New Cash Flow Rec'd	2014 Total Cash Flow Rec'd	2013 Carry Forwards	Total 2014 Cash Flow (Incl 2013 C/Fwd)	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Cost
Expenditures																
Previously Approved					1,000	1,000										
Change in Scope																
New			1,469	1,469		1,469										1,469
New w/Future Year																
Total Expenditure			1,469	1,469	1,000	2,469										2,469
Financing																
Debt			1,469	1,469		1,469										1,469
Other					700	700										
Reserves/Res Funds																
Development Charges					300	300										
Provincial/Federal																
Total Financing (including carry forward funding)			1,469	1,469	1,000	2,469										2,469

The Sony Centre for the Performing Arts' 2014 Recommended Capital Budget is \$2.469 million including carry forward funding of \$1.000 million with no future year commitments.

2014 Recommended Capital Project Highlights

2014 Recommended Capital Project Highlights
(In \$000s)

Project	Total Project Cost	2014	2015	2016	2017	2018	2014 - 2018	2019	2020	2021	2022	2023	2014 - 2023 Total
Public Plaza	1,000	1,000					1,000						1,000
Heritage Easement Agreement Upgrades	1,990	1,205					1,205						1,205
Upgrades to Permanent Capital Assets	5,245	264					264						264
Total (including carry forward funding)	8,235	2,469	-	-	-	-	2,469	-	-	-	-	-	2,469

The 2014 Recommended Capital Budget provides funding of \$2.469 million to:

- Complete the design and construction of a Public Plaza on the west side of the theatre that will create a pedestrian-friendly outdoor space to engage the public with the Sony Centre (\$1.000 million).
- Begin Heritage Easement Agreement upgrades to its exterior including limestone and granite cladding upgrades, sidewalk/pavers repairs, and restoration of the east side exterior grounds to its original state after removing the temporary dressing rooms (\$1.205 million).
- Undertake upgrades to the interior and exterior of the Centre's building including repairs to the canopy and stage tower roof and electrical re-wiring of MCC panels (\$0.264 million).

V: ISSUES FOR DISCUSSION

Key Program Issues

Facility Fee Reserve Fund

- Historically, Sony Centre has funded its own state-of-good-repair work through the Facility Fee Reserve Fund. However, due to the decline in the number of performances and paid attendance, ticket surcharge revenue targets have not been met, resulting in insufficient surcharge revenues to fund future ongoing asset upgrade and state-of-good-repair work to Sony Centre between 2014 and 2023, totalling \$7.235 million.
- Ticket surcharge revenues received and transferred to its Facility Fee Reserve Fund must also be used to retire its \$6.65 million capital completion loan. As part of the 2013 Approved Operating Budget, City Council approved a 2-year loan repayment deferral on interest and principal on this loan with repayment to commence December 31, 2014.
- Sony Centre has also identified chattel asset purchases of \$0.523 million for 2014 which the Centre will continue to apply its ticket surcharge revenues as included in the 2014 Recommended Operating Budget.
- Please refer to page 23 for the projected contributions and draws from the Facility Fee Reserve Fund over the next 10 years.

Future of the Three Major Civic Theatres

- At its meeting of September 26 and 27, 2011 City Council considered a Core Service Review and authorized the City Manager to issue a Request for Expression of Interest (REOI) to determine options for sale, lease, operation or other arrangement in respect to the Sony Centre for the Performing Arts, St. Lawrence Centre for the Arts and Toronto Centre for the Arts.
- The Request for Expression of Interest was issued in May 2012 and yielded findings, as presented in a report to the November 2012 Executive Committee entitled "Future of the Three Major Civic Theatres – Directions Resulting from the Request for Expression of Interest" dated October 22, 2012 (Item EX24.8) in which the City Manager recommended:
 - City Council authorize the City Manager to work with City staff to determine how to structure a potential divestment of the Sony Centre for the Performing Arts, and report back to City Council with a proposed process and guidelines that:
 - Include allowance for potential adaptive reuse and other innovative strategies for sustained use; and
 - Are subject to existing zoning and heritage by-laws governing land use and the building, and take into consideration recent capital improvements.

- Consideration of the October 22, 2012 report was deferred to the November 19, 2012 Executive Committee (Item EX25.5) meeting and the following recommendation was made to City Council:
 - Defer consideration of recommendation 3 of the report (October 22, 2012) from the City Manager for 120 days, and request the Board of the Sony Centre to develop and submit to the City Manager's Office, a long-term strategic plan and a five-year business plan for the Sony Centre to continue as a City-owned theatre, which will substantially reduce or eliminate the City's subsidy, and that:
 - The Sony Centre Board be permitted and encouraged to consult throughout this review period with the General Manager of Economic Development and Culture.
 - The Board of the Sony Centre be encouraged to work with the Boards of the Toronto Centre for the Arts and the St. Lawrence Centre to present a comprehensive plan.
 - The City Manager and Legal Services provide assistance as required by the Sony Centre Board.
- Sony Centre's Long Term Planning Committee issued an RFP and chose Cultural Asset Management Group (CAMG) as the Centre's consultant. In 2013, the Centre undertook a strategic planning process involving:
 - General marketing analysis
 - Sony Centre Business Analysis
 - Sony Centre Business and Strategic Options
 - Sony Centre Strategic Plan and 5 Year Business Model
- The consultant completed portions of their report which have been presented and adopted by Sony Centre's Board of Directors. The final portion of the consultant's report has not been received as of the end of October 2013.
- Once the consultant reports for all three theatres (Sony Centre for the Performing Arts, St. Lawrence Centre for the Arts and Toronto Centre for the Arts) are received by the General Manager of Economic, Development and Culture, staff will work with the City's Theatres Working Group to embark on a process to seek opportunities for co-operation, co-ordination, and efficiencies among the three theatres. Future proposals and recommendations arising from this process are expected to be reflected in the 2015 and future budget processes.

Appendix 1

2013 Performance

2013 Key Accomplishment

In 2013, Sony Centre for the Performing Arts accomplished the following:

- ✓ Secured \$0.300 million of Development Charge funds designated for civic improvements for the "Sony Centre Public Plaza" project through the adoption of item EX34.17 at a City Council meeting on October 8, 2013 which added this project to the 2013 Capital Budget for the Sony Centre of \$1 million gross and \$0 net.

Capital Variance Review

2013 Approved	Projected Actuals at Year End		Unspent Balance	
\$	\$	% Spent	\$ Unspent	% Unspent
1,000	-	0.0%	1,000	100.0%

As of September 30, 2013, Sony Centre for the Performing Arts did not have a 2013 Approved Capital Budget.

On October 8, 2013, City Council authorized the addition of the "Sony Centre Public Plaza" project to the 2013 Capital Budget for the Sony Centre for \$1 million gross funded by \$0.300 million in Development Charge funds designated for civic improvements and \$0.700 million from the Developer arising from the L-Tower development.

The projected year-end spending for the public plaza is \$0 as the public plaza is planned to be built when construction of the adjacent condominium tower is substantially complete. The 2013 funding will be carried forward to 2014 and the public plaza is expected to be complete by Fall 2014.

Appendix 2

10-Year Recommended Capital Plan Project Summary (In \$000s)

Project	2014 Budget	Plan									2014 - 2023
		2015	2016	2017	2018	2019	2020	2021	2022	2023	
Public Plaza	1,000										1,000.0
Heritage Easement Agreement Upgrades	1,205	785									1,990.0
Upgrades to Permanent Capital Assets	264	713	130	371	477	350	562	687	938	753	5,245.0
Total (Including carry forward funding)	2,469.0	1,498.0	130.0	371.0	477.0	350.0	562.0	687.0	938.0	753.0	8,235.0

Appendix 3

2014 Recommended Capital Budget; 2015 to 2023 Capital Plan

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3 - 2014 Recommended Capital Budget; 2015 to 2023 Capital Plan

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												
						2014	2015	2016	2017	2018	Total 2014-2018	Total 2019-2023	Total 2014-2023	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
HUM907801 Sony Centre Extrinsic Plaza																									
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	
HUM907896 Heritage Easement Agreement Upgrades																									
0	2	Exterior Limestone & Granite Upgrades FY2014	CW	S4	03	265	0	0	0	0	265	0	265	0	0	0	0	0	0	0	0	265	0	265	
0	3	Pavers	CW	S4	03	740	0	0	0	0	740	0	740	0	0	0	0	0	0	0	0	740	0	740	
0	4	East Side Restoration	CW	S4	03	200	0	0	0	0	200	0	200	0	0	0	0	0	0	0	0	200	0	200	
0	5	Exterior Limestone & Granite Upgrades FY2015	CW	S6	03	0	785	0	0	0	785	0	785	0	0	0	0	0	0	0	0	785	0	785	
Sub-total						1,205	785	0	0	0	1,990	0	1,990	0	0	0	0	0	0	0	0	1,990	0	1,990	
HUM907897 Upgrades to Permanent Capital Assets																									
0	4	Exterior Upgrades - Canopy & Stge Tower Roofs 2014	CW	S4	03	75	0	0	0	0	75	0	75	0	0	0	0	0	0	0	0	75	0	75	
0	5	Life Safety Systems	CW	S6	01	0	0	0	77	0	77	77	154	0	0	0	0	0	0	0	0	154	0	154	
0	6	Elevators	CW	S6	03	0	0	130	0	0	130	200	330	0	0	0	0	0	0	0	0	330	0	330	
0	7	Mechanical - HVAC Upgrades	CW	S6	03	0	185	0	96	277	558	1,495	2,053	0	0	0	0	0	0	0	0	2,053	0	2,053	
0	8	Electrical - MCC Panels/Wiring FY2014	CW	S4	03	189	0	0	0	0	189	0	189	0	0	0	0	0	0	0	0	189	0	189	
0	9	Backstage - counterweight system/Rewiring	CW	S6	03	0	0	0	0	120	120	229	349	0	0	0	0	0	0	0	0	349	0	349	
0	10	Fit Out of Break Out Space - Under Plaza	CW	S6	04	0	400	0	0	0	400	0	400	0	0	0	0	0	0	0	0	400	0	400	
0	12	Electrical - MCC panels/rewiring FY2015-2023	CW	S6	03	0	128	0	198	80	406	343	749	0	0	0	0	0	0	0	0	749	0	749	
0	14	Ext Upgrades-Canopy & Stage Tower Roof FY2020-2021	CW	S6	03	0	0	0	0	0	0	946	946	0	0	0	0	0	0	0	0	946	0	946	
Sub-total						264	713	130	371	477	1,955	3,290	5,245	0	0	0	0	0	0	0	0	5,245	0	5,245	
Total Program Expenditure						2,469	1,498	130	371	477	4,945	3,290	8,235	0	0	300	0	0	0	0	700	7,235	0	8,235	

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3 - 2014 Recommended Capital Budget; 2015 to 2023 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										
						2014	2015	2016	2017	2018	Total 2014-2018	Total 2019-2023	Total 2014-2023	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt
Financed By:																						
Development Charges						300	0	0	0	0	300	0	300	0	0	0	0	0	0	0	300	
Other2 (External)						700	0	0	0	0	700	0	700	0	0	0	700	0	0	700		
Debt						1,469	1,498	130	371	477	3,945	3,290	7,235	0	0	0	0	7,235	0	7,235		
Total Program Financing						2,469	1,498	130	371	477	4,945	3,290	8,235	0	0	300	0	0	700	7,235	0	8,235

Status Code	Description
S2	S2 Prior Year (With 2014 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2014 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 2015 & 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
2014 Recommended Cash Flow and
Future Year Commitments

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4 - 2014 Recommended 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													
						2014	2015	2016	2017	2018	Total 2014-2018	Total 2019-2023	Total 2014-2023	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 Extrinsic 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>HUM907896 Heritage Easement Agreement Upgrades</u>																									
0	2	Exterior Limestone & Granite Upgrades FY2014	CW	S4	03	265	0	0	0	0	265	0	265	0	0	0	0	0	0	0	0	265	0	265	
0	3	Pavers	CW	S4	03	740	0	0	0	0	740	0	740	0	0	0	0	0	0	0	0	740	0	740	
0	4	East Side Restoration	CW	S4	03	200	0	0	0	0	200	0	200	0	0	0	0	0	0	0	0	200	0	200	
Sub-total						1,205	0	0	0	0	1,205	0	1,205	0	0	0	0	0	0	0	0	0	1,205	0	1,205
<u>HUM907897 Upgrades to Permanent Capital Assets</u>																									
0	4	Exterior Upgrades - Canopy & Stge Tower Roofs 2014	CW	S4	03	75	0	0	0	0	75	0	75	0	0	0	0	0	0	0	0	75	0	75	
0	8	Electrical - MCC Panels/Wiring FY2014	CW	S4	03	189	0	0	0	0	189	0	189	0	0	0	0	0	0	0	0	189	0	189	
Sub-total						264	0	0	0	0	264	0	264	0	0	0	0	0	0	0	0	0	264	0	264
Total Program Expenditure						2,469	0	0	0	0	2,469	0	2,469	0	0	300	0	0	0	0	700	1,469	0	2,469	

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4 - 2014 Recommended Cash Flow and Future Year Commitments

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								
						2014	2015	2016	2017	2018	Total 2014-2018	Total 2019-2023	Total 2014-2023	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1
Financed By:																				
Development Charges						300	0	0	0	0	300	0	300	0	0	0	0	0	0	300
Other2 (External)						700	0	0	0	0	700	0	700	0	0	0	700	0	700	
Debt						1,469	0	0	0	0	1,469	0	1,469	0	0	0	1,469	0	1,469	
Total Program Financing						2,469	0	0	0	0	2,469	0	2,469	0	0	0	700	1,469	0	2,469

Status Code	Description
S2	S2 Prior Year (With 2014 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2014 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

Appendix 5

2014 Recommended Capital Project with Financing Details

(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 3 - 2014 Recommended Capital Projects with Financing Details
Sony Centre (Hummingbird)
Sub-Project Summary

Appendix 5 - 2014 Recommended Capital Project with Financing Details

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2014	Financing									
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
0	<u>HUM907801</u> Sony Centre Extrior Plaza													
0	3 Public Plaza	10/30/2013	10/30/2013	1,000	0	0	300	0	0	0	0	700	0	0
	Project Sub-total:			1,000	0	0	300	0	0	0	0	700	0	0
0	<u>HUM907896</u> Heritage Easement Agreement Upgrades													
0	2 Exterior Limestone & Granite Upgrades FY2014	1/1/2014	12/31/2014	265	0	0	0	0	0	0	0	0	265	0
0	3 Pavers	1/1/2014	12/31/2012	740	0	0	0	0	0	0	0	0	740	0
0	4 East Side Restoration	1/1/2014	12/31/2014	200	0	0	0	0	0	0	0	0	200	0
	Project Sub-total:			1,205	0	0	0	0	0	0	0	0	1,205	0
0	<u>HUM907897</u> Upgrades to Permanent Capital Assets													
0	4 Exterior Upgrades - Canopy & Stge Tower Roofs 2014	1/1/2014	12/31/2021	75	0	0	0	0	0	0	0	0	75	0
0	8 Electrical - MCC Panels/Wiring FY2014	8/31/2012	8/31/2012	189	0	0	0	0	0	0	0	0	189	0
	Project Sub-total:			264	0	0	0	0	0	0	0	0	264	0
	Program Total:			2,469	0	0	300	0	0	0	0	700	1,469	0

Status Code Description
 S2 S2 Prior Year (With 2014 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2014 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

Appendix 6

2014 Reserve / Reserve Fund Review (In \$000s)

Reserve/Reserve Fund Review - Program Specific

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2013 *	Contributions / (Withdrawals)										2014 - 2023 Total Contributions / (Withdrawals)	
			2014 Rec'd Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan		
Facility Fee Reserve Fund (XR3003)	Beginning Balance as of Jan. 1, 2013	474	474	192	180	0	114	409	105	0	0	(0)		
	Contributions / (Withdrawals)													
	Chattel Asset Purchases		(523)	(279)	(517)	(208)	(57)	(684)	(544)	(525)	(484)	(366)	(4,187)	
	Loan Repayments		(710)	(710)	(710)	(710)	(710)	(710)	(710)	(710)	(710)	(710)	(7,102)	
	Total Withdrawals		(1,233)	(989)	(1,227)	(918)	(767)	(1,395)	(1,254)	(1,235)	(1,194)	(1,076)	(11,289)	
	Contributions / Interest													
	Ticket Surcharges		580	592	647	616	628	640	680	755	703	693	6,533	
	Naming Rights Fees		371	385	401	417	433	451	469	480	491	503	4,400	
Total Contributions		951	977	1,048	1,032	1,061	1,091	1,149	1,235	1,194	1,196	10,934		
Total Reserve Fund Balance at Year-End		474	192	180	0	114	409	105	0	0	0	119		

* Based on the 3rd Quarter Variance Report