
2014 CAPITAL BUDGET BRIEFING NOTE

Facilities Management - Union Station Revitalization Project Update

Issue/Background:

- The purpose of this briefing note is to provide an update on the status of the Union Station Revitalization project to inform the 2014 Budget process.

Key Points:

Funding

- Staff provided an update on the status of USRP to the Government Management Committee (GMC) at its meeting on October 15, 2013, identifying a revised cost forecast of \$795 million, exceeding the current approved funding amount by \$80 million (See link to report - <http://www.toronto.ca/legdocs/mmis/2013/gm/bgrd/backgroundfile-63324.pdf>)
- Funding sources for this additional cost pressure were identified as follows:
 - Recoverable debt of \$60 million from an updated revenue forecast of commercial rents from the Head Lessee
 - Reserve funding of \$20 million from the Union Station reserve, consisting of net rental revenues from the operation of Union Station that have accumulated over the years.
- The recommended 2014 Capital Budget & 2015 - 2023 Capital Plan includes funding in the amount of \$301.5 million (excluding 2013 carry-forward funding) for the USRP, which includes the additional \$80 million, based on the funding sources identified above.
- Staff have also explored alternate funding options, at the request of GMC, including seeking additional funding support from Transport Canada and Metrolinx (current funding partners), and accessing funding from the recent development charge allocations for Union Station. Any additional funding from these sources will offset the additional recoverable debt being recommended and the funding sources will be adjusted accordingly.
- Staff will be reporting back to GMC with an update on the status of responses from funding partners at its meeting on January 6, 2014.

Project Status

- The project is in the fourth year of a six year construction schedule, and is forecasted to be complete by 2016.

- Major milestones reached to date include:
 - The handover of the West Wing to Metrolinx
 - Completion of VIA elements such as the Panorama Lounge, VIA concourse heritage washrooms, East concourse offices, portions of the baggage handling system and catering space
 - All structural support column replacements in the Bay and York concourse areas
- Major milestones on schedule to be completed in 2014 include:
 - Completion of Stage 1 construction, including significant elements such as the new York Concourse and installation of base building systems
 - Commencement of Stage 2 construction
 - Northwest PATH tunnel, phase 1, across Front Street, and final design of phase 2

Prepared by: Richard Coveduck, Director, Facilities Design & Construction - Major Projects, Facilities Management, 416-338-2737, rcovedu@toronto.ca

Further information: Richard Coveduck, Director, Facilities Design & Construction - Major Projects, Facilities Management, 416-338-2737, rcovedu@toronto.ca

Marco Cuoco, Manager - Capital & Business Analysis, Business Performance Management, Facilities Management, 416-337-7338, mcuoco@toronto.ca

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