



STAFF REPORT ACTION REQUIRED

Adjustments to the Parks, Forestry and Recreation (PFR) 2016 Capital Budget and 2017-2025 Capital Plan

Date:	April 6, 2016
To:	Budget Committee
From:	General Manager, Parks, Forestry and Recreation
Wards:	Ward 15 – Eglinton-Lawrence Ward 27 - Toronto Centre-Rosedale Ward 36 - Scarborough Southwest
Reference Number:	P:\2016\Cluster A\PFR\BU20-042616-AFS#22912

SUMMARY

The purpose of this report is to obtain authority from City Council to amend the approved 2016-2025 Parks, Forestry and Recreation (PFR) Capital Budget and Plan by adjusting project cash flows contained within the Budget and Plan. The adjustments will not change debt funding for the 2016 Capital Budget and will align with capital project delivery schedules and program requirements.

RECOMMENDATIONS

The General Manager of Parks, Forestry and Recreation recommends that:

1. City Council authorize the acceleration of previously approved cash flow from 2017 to 2016 within Parks, Forestry and Recreation’s approved 2016 Capital Budget in the amount of \$1.000 million, funded from development charges (XR2114) for the McCowan District Park Phase 2 Construction sub-project in the Parkland Development project.
2. City Council authorize deferral of previously approved cash flow from 2016 to 2017 and 2018 within Parks, Forestry and Recreation’s approved 2016 Capital Budget in the amount of \$1.361 million for the Lawrence Heights Phase 1a Baycrest Park sub-project in the Parkland Development project, with \$0.100 million deferred to 2017 (funded by development charges XR2114), and \$1.261 million deferred to 2018 (\$0.076 million from City Wide Parkland Development Cash-in-lieu reserve fund XR2211 and \$1.185 million from development charges XR2114).

3. City Council authorize deferral of cash flow from 2016 to 2017 within Parks, Forestry and Recreation’s approved 2016 Capital Budget in the amount of \$2.000 million for the College Park Artificial Ice Rink (AIR) sub-project in the Arena project, funded by \$1.000 million in donations and \$1.000 million from the Section 42 Alternate Rate (AR) Cash-in-lieu (CIL) for 460 Yonge Street (XR2213-4200658).

Financial Impact

The Council approved Parks, Forestry and Recreation (PFR) 2016-2025 Capital Budget and Plan includes \$6.661 million (M) cash flowed over two years for three projects as noted in the table below: McCowan District Park Phase 2 Construction, Lawrence Heights Phase 1a Baycrest Park, and College Park Artificial Ice Rink (AIR).

Approval of this report will have a financial impact as the approved 2016 Capital Budget and 2017-2025 Capital Plan will be amended by reducing 2016 cash flow by \$2.361 M, and increasing 2017 cash flow by \$1.100 M and 2018 cash flow by \$1.261 M.

Table 1: Adjustments to Council Approved Cash Flow (\$ M)

Sub-Project Name	2016 Council Approved Cash Flow (\$ M)				Adjustments to Cash Flow (\$ M)				Revised Cash Flow (\$ M)		
	2016	2017	2018	Total	2016	2017	2018	Funding Source	2016	2017	2018
McCowan District Park Phase 2 Construction	2.020	1.280		3.300	1.000	(1.000)		Development Charges (DC) XR2114	3.020	0.280	
Lawrence Heights Phase 1a Baycrest Park	1.361			1.361	(1.361)	0.100	1.261	0.100 M in 2017 from DC XR2114, 1.261 M in 2018 (0.076 M from reserve fund XR2211 & 1.185 M from DC XR2114)		0.100	1.261
College Park Artificial Ice Rink (AIR)	2.500			2.000	(2.000)	2.000		1.000 M from donations & 1.000 M from Section 42 AR CIL for 460 Yonge Street (XR2213-4200658)	0.500	2.000	
TOTAL	5.881	1.280	0	6.661	(2.361)	1.100	1.261		3.520	2.380	1.261

Operating impacts for the three projects were included in the future outlook of the 2016 Operating Budget; however, given that project timing will be adjusted through this report, operating impacts for the three projects will be further refined through the 2017 PF&R Operating Budget submission.

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

DECISION HISTORY

At its meeting on February 17, 2016, City Council approved the 2016 Capital Budget for Parks, Forestry and Recreation through item EX12.2 (28b and 29). The College Park Artificial Ice Rink (AIR) sub-project was approved with a total project cost of \$2.5 million, funded from \$1.000 million from the Section 42 Alternate Rate Cash-in-lieu for 460 Yonge Street (XR2213-4200658), \$1.000 million in donations, and \$0.500 million from South District Local Parkland Development Cash-in-lieu reserve fund (XR2209).

Council Decision Document Link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX12.2>

City Council, at its meeting of March 10 and 11, 2015, approved the Parks, Forestry and Recreation 2015 Capital Budget through item EX3.4 (23.a.i.). The McCowan District Park Construction Phase 2 sub-project was approved with a total project cost of \$4.950 million and cash flow of \$1.650 million in 2016, \$2.020 million in 2017, and \$1.280 million in 2018, funded by \$4.837 million in development charges and \$0.113 million in reserve funds. The Lawrence Heights Ph1a Baycrest Park sub-project was approved with a total project cost of \$1.511 million, with \$0.150 million cash flow in 2015 and \$1.361 million cash flow in 2016, funded by \$1.359 million in development charges and \$0.152 million in reserve funds.

Council Decision Document Link:

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=9689>

ISSUE BACKGROUND

1) McCowan District Park Phase 2 Construction (Ward 36)

City Council approved the McCowan District Park Phase 2 Construction sub-project, in the Parkland Development project, through the 2015 Parks, Forestry and Recreation Capital Budget, with a total project cost of \$4.950 million, funded by \$4.837 million in development charges and \$0.113 million in reserve funds. The project was cash-flowed over three years with previously-approved funding: \$1.650 million in 2015, \$2.020 million in 2016, and \$1.280 million in 2017.

Authority from Council is being requested to accelerate \$1.000 million in development charges (XR2114) from 2017 to 2016 for this project due to changes in construction phasing, site conditions and site accessibility. Modification of overall site plan during design has resulted in shift of parking lot and existing soccer field construction works from phase 3 in 2017 to phase 1 and 2 in 2016. Shift of above mentioned work to earlier phases of construction results in net savings of the project's overall construction cost, and permits earlier turnover of completed spaces to the city for public use.

2) Lawrence Heights Phase 1a Baycrest Park (Ward 15)

The 2015 PF&R Capital Budget, approved by Council on March 10 and 11, 2015, included \$1.511 million for the Lawrence Heights Phase 1a Baycrest Park sub-project, in the Parkland Development project, with a previously approved cash flow of \$0.150 million in 2015 and \$1.361 million in 2016. Funding for the \$1.511 million consists of \$1.359 million in development charges and \$0.152 million in reserve funds.

The proposed scope of work for the Baycrest Park project includes but is not limited to: entrance plaza complete with new seating and gathering spaces, new baseball and soccer field, community garden, playground and water play and pathways.

TCHC requires Varna Drive widened and/or realigned north of Ranee Avenue to respond to proposed changes on Varna Drive south of Ranee Avenue. In the fullness of time, the Public Realm Master Plan showing Baycrest Park provides for a new "front door" with an expanded park that occupies an existing highway ramp. The plan also includes a proposed new road which extends Varna Drive northward and east along the south side of highway 401.

Due to the extent, timing, and uncertainty of a proposed new road, highway ramp elimination, and the realignment/widening of Varna Drive, staff are seeking approval from Council to defer \$1.361 million from 2016 to 2017 (\$0.100 million) and 2018 (\$1.261 million) for the project, funded by \$1.285 million in development charges (XR2114) and \$0.076 million in reserve funds (XR2211).

3) College Park Artificial Ice Rink (Ward 27)

A major revitalization of College Park and its entire open space is being undertaken by a Developer responsible for the Aura development at Gerrard and Yonge Streets. The Developer has entered into Section 37 and 45(9) agreements with the City of Toronto and has agreed to provide \$3.0 million in improvements to College Park, including public consultation, design services and construction. The project will be implemented by the Developer on behalf of, and under the supervision of Parks, Forestry and Recreation (PFR) Division.

The \$3.0 million budget for improvements to College Park, to be delivered by the Developer, does not include a new artificial ice rink/skating trail and rink house components. Through the 2016 PF&R Capital Budget, Council approved \$2.5 million

sub-project of the Arena project for the artificial ice rink/skating trail and rink house components. Of the \$2.5 million, \$1.0 million is to be funded from the Section 42 Alternate Rate (AR) Cash-in-lieu (CIL) for 460 Yonge Street (XR2213-4200658), \$0.500 million is coming from PF&R reserve funds, and \$1.0 million from donations. To date, only \$0.250 million of the \$1.0 million donation has been identified from the Downtown Yonge BIA.

Due to related agreements needed for: 1) the leasing of adjacent lands to be added to College Park and 2) the re-waterproofing of the garage roof membrane underlying the entire park by the tenant of the garage, the project has been delayed from initial timelines. Although the existing park will be demolished in early 2016, the rest of 2016 will be dedicated to allowing the tenant of the underground garage to do their waterproofing. The park will then be re-built in 2017.

This report seeks authority from Council to defer \$2.0 million in cash flow from 2016 to 2017, including \$1.0 million in donations and \$1.0 million from Section 42 AR CIL.

COMMENTS

Approval is being sought to amend Parks, Forestry and Recreation's Approved 2016 Capital Budget and 2017 – 2025 Capital Plan to better align cash flows to reflect the project delivery schedules and program requirements. These amendments include the reduction of cash flows in 2016 for projects that experienced delays in schedules.

CONTACT

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SIGNATURE

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