

Toronto Realty Agency 2018 Operating Budget Request

Date: November 13, 2017

To: Toronto Realty Agency

From: Deputy City Manager, Internal Corporate Services

Wards: All

SUMMARY

The purpose of this report is to present the 2018 Operating Budget for the Toronto Realty Agency (TRA) for review and approval by the Board.

RECOMMENDATIONS

The Deputy City Manager, Internal Corporate Services recommends that:

1. The Toronto Realty Agency recommend City Council approve the Toronto Realty Agency's 2018 Operating Budget request of \$12.189 million gross, and \$0 net.

FINANCIAL IMPACT

Table 1 below details the 2018 Operating Budget submission for the Toronto Realty Agency (TRA) to be considered and adopted by the TRA board and referred to the 2018 Budget process to Budget Committee and City Council for consideration.

Table 1: 2018 Toronto Realty Agency Operating Budget (in 000's)

EXPENSES	Current BT/TPLC	Cost of New Functions*	Operational Savings from Consolidation	2018 Operating Budget
Human Resource Expenses	8,637	2,698	- 2,216	9,119
Financial & Legal Expenses	706	10	-	716
Marketing & Stakeholder Relations	348	70	-	418
Board & Professional Services	192	367	- 124	435
Office Occupancy	1,049	-	- 346	702
Office Services	709	175	- 86	798
Total	11,641	3,320	- 2,772	\$12,189

Revenue	Total
Contributions from Corporations	\$(12,189)

Net Expenditure	\$0
------------------------	------------

*Includes one-time consolidation and transition costs of \$1,139

The 2018 Operating Budget submission represents a combination of Build Toronto (BT) and Toronto Port Lands Company (TPLC) staffing and general administration costs expected for 2018. As of January 1, 2018 these staff will be employees of the TRA, and therefore the associated direct and ancillary costs associated with the staff will become part of the TRA Budget going forward.

In addition, the costs associated with the development of the TRA - inclusive of net new resources needed for new functions such as Customer Relationship Management (CRM) and Portfolio Strategy development, as well as other administrative costs - are included in TRA's 2018 Operating Budget submission. Offsetting some of these incremental costs are operating savings that will be realized from a consolidation of the staffing and support functions of the existing corporations (BT and TPLC).

The net result of the above is a \$12.189 million net Operating Budget. The existing operational activities of both BT and TPLC will be used to fund the TRA. Therefore, the TRA Budget will be a net \$0 cost to the City.

DECISION HISTORY

At its meeting on May 24, 25 and 26, 2017, City Council considered and adopted a new real estate service delivery model for the City government that centralizes all real estate activities City-wide, including all real estate strategy and portfolio planning, major building projects, developments, real estate transactions and facilities management.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX25.9>

COMMENTS

The Toronto Realty Agency will follow the City's Budget process, consistent with other Agencies of the City. The recommended Operating Budget, presented in Table 1, will form part of the City's consolidated Budget and will be referred to the 2018 Budget process. Approval of City budgets is anticipated in Q1 2018.

Table 1 above represents the 2018 Operating Budget for the Toronto Realty Agency for the Board's consideration. Staff will provide a presentation on the 2018 Operating Budget at the November 27th, 2017 board meeting. The Board's recommendation on the Budget, will be forwarded to the City of Toronto's Budget Committee for consideration and recommendation to City Council.

CONTACT

Robbie Grewal, Program Director, City-Wide Real Estate Program, 416-338-1326,
robbie-grewal@toronto.ca

SIGNATURE

Josie Scioli
Deputy City Manager, Internal Corporate Services