

City Council**Motion without Notice**

MM23.21	ACTION			Ward: 9
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Authority to Enter into a Construction Project Agreement and Transfer Funds for the Wallace-Emerson Community Recreation and Child Care Facilities - by Councillor Ana Bailão, seconded by Councillor Paula Fletcher

** Notice of this Motion has not been given. A two-thirds vote is required to waive notice.
* This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.
This Motion has been deemed urgent by the Chair.*

Recommendations

Councillor Ana Bailão, seconded by Councillor Paula Fletcher, recommends that:

1. City Council authorize the City of Toronto to enter into, and the General Manager, Parks, Forestry and Recreation to execute on behalf of the City, a Construction Project Agreement with 2470347 Ontario Inc. for the reconstruction of the Wallace-Emerson Community Recreation Facility, including Child Care Facility, and Above Base Park Improvements, on terms and conditions deemed necessary and appropriate by the General Manager, Parks, Forestry and Recreation, the General Manager, Children's Services and the City Solicitor, and in accordance with City policies applicable to capital projects.
2. City Council authorize the City of Toronto to enter into, and the General Manager, Parks, Forestry and Recreation to execute on behalf of the City, any other ancillary agreements necessary to complete construction of the Community Recreation Facility, including Child Care Facility, and Above Base Park Improvements, on terms and conditions satisfactory to the General Manager, Parks, Forestry and Recreation, the General Manager, Children's Services, and the City Solicitor.
3. City Council authorize the General Manager, Parks Forestry and Recreation to transfer up to \$38.565 million from the Parks, Forestry and Recreation's 2020 Council Approved Capital Budget and 2021-2029 Capital Plan from the Wallace-Emerson (Galleria) Redevelopment (CPR123-49-03) and Wallace-Emerson (Galleria) Park and Fieldhouse Phase 1 (CPR117-50-20) sub-projects, subject to entering into a Construction Project Agreement with 2470347 Ontario Inc., to that entity to fund the City's agreed cash portion for the development of the Wallace-Emerson Community Recreation Facility, to advance the Wallace-Emerson Community Recreation Facility and Above Base Park Improvements.

4. City Council authorize the General Manager, Children's Services to transfer up to \$5.000 million from the Children's Services 2020 Council Approved Capital Budget and 2021-2029 Capital Plan from the Wallace-Emerson Child Care Centre (CCS045-01) sub-project, subject to entering into a Construction Project Agreement with 2470347 Ontario Inc., to that entity to fund the City's agreed cash portion for the development of the Wallace-Emerson Child Care Facility, to advance the Wallace-Emerson Child Care Facility as part of the Community Recreation Facility.

Summary

This Motion seeks authority to enter into a Construction Project Agreement with the Developer, 2470347 Ontario Inc. (the "Owner"), and for the authority to transfer funds up to \$43.565 million from the 2020 Council Approved Capital Budget and 2021-2029 Capital Plans for Parks, Forestry and Recreation and Children's Services for the construction of the Wallace-Emerson Community Recreation Facility, including a Child Care Facility, and Above Base Park Improvements.

The 2020-2029 Capital Budget and Plan for Parks, Forestry and Recreation includes a project cost of \$38.565 million for the Wallace-Emerson (Galleria) Redevelopment and Wallace-Emerson (Galleria) Park and Fieldhouse Phase 1 sub-projects, with cash flow of \$12.665 million in 2021 and \$25.900 million in 2022. Children's Services 2020-2029 Capital Budget and Plan includes a project cost of \$5.000 million for the Wallace-Emerson Child Care Centre with cash flow of \$0.259 million in 2020, \$0.750 million in 2021, \$1.000 million in 2022, \$1.250 million in 2023, \$1.441 million in 2024, and \$0.300 million in 2025. This cash flow will be realigned to years 2021 and 2022 through the 2021 Budget process.

The proposed Wallace-Emerson Recreation Centre relocation and park redesign is to be built by the Owner, as part of their development application at 1245 Dupont Street (also known as Galleria Mall) including a full reconfiguration of the park with a land exchange between the City and the Owner.

On December 20, 2019, a Section 37 Agreement (the "Agreement") between the Owner and the City was registered against title to the site, excluding lands currently owned by the City but which will be transferred by the City to the Owner through the land exchange following the Owner's completion of a new Community Recreation Facility and Above Base Park Improvements. The Agreement contemplates the parties entering into a Construction Project Agreement for the new Community Recreation Facility and Above Base Park Improvements to be constructed on the Owner's lands.

The existing Wallace-Emerson Community Centre will be replaced and expanded by a new Community Recreation Facility that includes an aquatic centre, a gymnasium, multi-purpose areas, a new child care facility, and an ice rink skating facility. The new Facility is proposed to be relocated to the north-west corner of the site along Dupont Street and is approximately 8,300 square meters in size. The park will be enlarged through an on-site parkland dedication with the remaining parkland dedication cash-in-lieu being applied to the project.

Construction of the Community Recreation Facility and Above Base Park Improvements is anticipated to start in mid-Fall 2020. While the Owner will make financial contributions to the construction of this Facility and Above Base Park Improvements, City Council authority is required to transfer funds up to \$43.565 million from the 2020 Council Approved Capital Budget and 2021-2029 Capital Plans for Parks, Forestry and Recreation and Children's Services

for the construction of the Wallace-Emerson Community Recreation Facility and Above Base Park Improvements. Funds are scheduled to be transferred to the Owner during the scheduled construction in 2021-2022 and as per terms and conditions of the Construction Project Agreement.

Once the construction on the new Facility is complete and opened to the public, the existing Wallace-Emerson Community Recreation Centre will be closed and the land exchange with the Owner will proceed.

The existing Wallace-Emerson Community Recreation Centre was identified as requiring revitalization or replacement in the Toronto Parks and Recreation Facilities Master Plan, adopted by City Council November 9, 2019. The Master Plan acknowledges future development may provide an opportunity to work with the private sector to renew the City's aged facilities earlier than what is contemplated in the Master Plan, as is the case with the Wallace-Emerson Community Recreation Centre.

City Council authority is now required to authorize the appropriate City staff to enter into the Construction Project Agreement with the Owner to commence and complete the construction of the new Community Recreation Facility, including Child Care Facility, and Above Base Park Improvements.

This Motion is required at this time as a Construction Project Agreement with the Owner and the authority to transfer funds, is required prior to the Owner tendering the project, which is planned for September 2020. Any additional funding requirements for this project as a result of the tendering process will be included in the budget process for consideration and authority from Council would be requested to increase the project costs and the transfer of funds to the Owner.

Operating impacts of Capital will submitted for consideration through the 2021 Budget process.

Background Information (City Council)

Member Motion MM23.21