Exhibition Place

REPORT FOR ACTION

2024 Proposed Capital Works Budget as Part of Ten-Year (2024-2033) Program

Date: October 13, 2023
To: The Board of Governors of Exhibition Place
From: Don Boyle, Chief Executive Officer
Wards: All Wards

SUMMARY

Toronto, being North America's 4th largest City is home to Exhibition Place. The site currently hosts 1,260 events annually with approximately 5.5 million visitors per year for exhibitions, conventions, events, and entertainment, and we are moving towards becoming a 365-day destination for an impressive range of activities. It is important to note that Exhibition Place is pedestrian friendly, and we are visited by our neighbours to the north, from across the country and around the world.

Exhibition Place vision is to become Canada's premier destination for conventions, exhibitions, events, and entertainment. We are a unique site in North America, and our goal is to transform Exhibition Place into an intimate space that facilitates unimpeded movement of people.

On August 28, 2023, the City's Interim Chief Financial Officer & Treasurer provided supplementary instructions for all City Divisions and Agencies with the preparation of the 2024 Capital Works Budget as Part of Ten-Year Submission with a firm submission deadline of September 15, 2023.

Exhibition Place Managed Projects

Supporting the City objective of minimizing debt funding, Exhibition Place staff have worked towards minimizing debt funding for Exhibition Place new projects, also taking into consideration inflationary pressures, and supporting our vision. The change from 2023 to 2024 10-year Capital Plan excluding carry-forward is a year-over-year change of $10.4 million over the 10 years.

Third Party Projects

In early 2023, the City entered into agreement with Maple Leaf Sports and Entertainment (MLSE) for activities in support of Toronto's hosting of FIFA World Cup 2026. This includes, but not limited to major upgrades to the City-owned soccer stadium at BMO Field. Given that this City project is on the Exhibition Place grounds, it was

agreed by MLSE and the City that the financial process /cash flow would flow through Exhibition Place's 10-Year Capital Plan. This will be a significant project as the annual cash flow funding requirement for the capital infrastructure needs to bring the stadium to FIFA operational standards as reported over the period 2023-2026 will be approximately $72.7 million in project cost. The City is working with Province as well as Federal government regarding their financial commitments to share costs.

Overview

Overall, our 10-year Capital Plan for Exhibition Place before 3rd Party managed projects is $179.290 million.

Throughout the budget process Exhibition Place staff worked closely with City FPD in developing the budget**.** The City practice for 2024 allocation of funds is still based on the Board capacity to spend but is linked more closely to the City's ability to fund the projects with debt.

Annually, staff review the 10-year capital plan; this annual review procedure allows Exhibition Place to adjust its current State of Goods Repair (SOGR) program each subsequent year based on changing and operational needs, building/audit assessments, legislative changes, mandates, and priorities.

Exhibition Place staff will submit the 2024 Capital Works Budget to City FPD to meet the City Manager September 15, 2023, deadline; however, due to the budget submission schedule, City FPD understands that the budget is subject to Board approval and that the Board therefore reserves the right to make changes to the Capital Works Budget content. Exhibition Place staff will notify the City of any changes or directions made by the Board.

In accordance with City guidelines for capacity to spend, the City's ability to fund, building assessments and SOGR priority, a total of $32.567 million net program is recommended for 2024 Capital budget. This includes:

1. New Projects for a total amount of $17.180 million cash flow in 2024 (Section 'B' in Appendix 'A') as follows:

a) $0.900 million for Food Building projects ($0.800 million for lighting upgrades and $0.100 million for fire alarm system upgrade); 50% of which are to be funded by CNEA as per Board's Master Agreement sharing provisions with CNEA.

b) $2.500 million cash flow in 2024 for high voltage priority feeder cable replacement. (This project has a three-year budget approval request of $7.500 with a cash flow of $2.500M for 2024, $3.000M for 2025, and $2.000M for 2026).

c) $13,780 million for various upgrades within existing buildings, parking lots and roads grounds wide, all funded by debt.

2. Previously Approved cash flow of $5.300 million in 2024 (Partial Section 'A' in the Appendix 'A') as follows:

a) ($0.500) million reduction - of previously approved 2024 cash flow of $0.500 million, resulting in zero cash flow in 2024 for New Brunswick Way Improvement/Road Widening project.

b) $1.100 million previously approved 2024 cash flow for Emergency Generators Upgrades at various buildings (cash flow for 2025 is $0.550 million).

c) $1.800 million previously approved 2024 cash flow for substation consolidation and upgrades (cash flow for 2025 is $0.625 million).

d) $2.400 million Partial Cash Flow Carry Forward to 2025 for the Soil Remediation at Lot 851 due to delay in Phase 2 Hotel and Performance Venue delays.

In summary, the total budget cash flow for Above the Line Capital Program 2024 (Sections A & B in Appendix 'A') including New Projects, Previously Approved and Carry Forward is $22.480 million.

Even with the additional funding being recommended, the Net Accumulated SOGR Backlog at the end of 2024 for Exhibition Place stands at $70.580 million.

3. The 2024 capital cash flow for Non-Exhibition Place managed projects (Section C) include FIFA 2026 capital project of $16.713 million which includes $4.226 million 2023 carry-forward.

Capital Needs Constraints

In addition to the $249.345 million required for the 10-year above the line capital works program, there exists $112.0 million of capital projects that are below the line. The term 'below the line' refers to not approved projects that have capital needs or more specifically projects that their capital needs cannot be accommodated within the City capital plan the Board have the capacity to deliver. The projects under these constraints for Exhibition Place in the 10-year plan consist of $12 million for the Festival Plaza Development, $75 million for the Industry Building renovation, $11 million for the restoration of the Enercare Centre roof, and $14 million required for the Wastewater Renewable Energy Project initiated by the City.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board approve the Proposed 2024 Above the Line Capital Works State-of-Good Repair Budget (Sections A and B of Appendix 'A') of $22.480 million with $22.030 million funded by debt and $0.450 million funded by recoveries from CNEA, as part of the ten year (2024-2033) proposed program submission to the City of Toronto.

2. The Board approve the Proposed 2024 FIFA 2026 non-Exhibition Place managed project in the amount of $16.713 million funded by City of Toronto reserve funds.

3. The Board direct the Chief Executive Officer to submit the 2024 Budget and any changes or directions by the Board to the City Financial Planning Division as part of the 2024 Budget Process.

FINANCIAL IMPACT

The proposed 2024 Capital Works Program cash flows total $22.480 million for Exhibition Place managed projects and $16.713 for the FIFA 2026 project a projected managed by City Economic Development and MLSE as a total program budget, which includes third party recoveries of $0.450 million, net debt funded program of $22.030 million, and $16.713 from City reserves funds details of which are in Appendix 'A' to this report.

DECISION HISTORY

The Exhibition Place 2022-2026 Strategic Plan has identified Protecting and Spotlighting our Assets Goal to ensure that our State-of-Good Repair plan and processes are adequately linked to our capital plan.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EP24.12

COMMENTS

It should be noted that all these capital projects submitted may be subject to changes as the City may provide new guidance and direction in plan later.

Our current 2024 Capital Budget supports the continued growth of Exhibition Place through creating an intimate and welcoming public realm, establishing intentional pedestrian corridors, and reducing vehicular roadways. This transformation and reinventing continue to move Exhibition Place from an old industrial park feel to an intimate space for people for the benefit of future generations to come.

Background
Over the next 10 years, Exhibition Place staff have met the City target by deferring some projects. Our overall annual net capital program budget and plan for Exhibition Place managed projects ranges from a minimum of $10.190 million to a maximum of $31.495 million. When the 3rd party projects (FIFA 2026) is included this number escalates to a maximum of $49.595 million.

To formulate the Capital Program and as required by the City, building assessments are regularly carried out for all the non-tenanted buildings. Results from these assessments are included, where applicable, in this ten-year capital program. Recent studies and assessments in 2022 included the Beanfield Centre, Enercare Centre, Coliseum Complex, General Services Building, and Food Building.

Attached as Appendix 'A' is the proposed Ten-Year (2024-2033) Capital Works Program for Exhibition Place with 2024 overall budget cash flow being $39.193 million including recoveries of $0.450 million. The 2024 SOGR budget is submitted in accordance with the guidelines, policies, and the five expenditure categories below as established by the City Financial Planning Division.

Summary of Program by Expenditures Categories

1. Health and Safety:
At $0.230 million (1%); these capital projects have an urgent requirement for repairs due to concerns of a health and safety hazard; Security Access Control, Cameras & Communication upgrades, Fire Alarm System Replacement.

2. Legislated/City Policy:
Nil for 2024; these capital projects are required by the Provincial or Federal legislation or compliance with City Policy.

3. State of Good Repair:
At $18.650 million (*66*%); these capital projects are for the maintenance, repair or replacement of existing assets including asset rehabilitation required to meet health and safety issues or extend the useful life of the asset by 10 or more years.

4. Service Improvement:
At $3.600 million (5%) of which $2.400 million is a carry forward for the soil remediation in 2024 and $1.200 million are allocated for various other projects. These capital projects are for improvement of service delivery above the current Council-approved standard or provides for the introduction of new services; and

5. Service Improvement (3rd party - FIFA 2026):
At $16.713 million (28%) of which $4.226 million is a carry forward from 2023, a project managed by City EDC and MLSE.

6. Growth Related:
Nil for 2024; these capital projects support the growth and development across the City.

For information purpose only, at the bottom of the Appendix 'A' spreadsheet for each asset, as well as on the summary sheet, there is a separate table showing the SOGR Building Assessment Backlog, the annual SOGR requirement, the SOGR submission for that year*,* and the net SOGR backlog remaining for that same year, which is above and beyond the allowable net capital program funding.

2024 Project Details

All budgets include estimated costs for engineering, construction, in-house work, project management, disbursements, and administrative charges where applicable but exclude the H.S.T.

1. Pre-Engineering ($0.175 million)

a*)* Study, Investigate, Design, Engineer, Check Various Buildings ($0.175)

This program is critical to the success of planning and executing the annual Capital Works Program. It provides funds for studies and investigations to determine project schedules and to establish costs for present and future required work. This pre-engineering work ensures the development of a relevant and realistic Capital Works Budget.

2. Parks, Parking Lots, and Roads ($4.150 million)

a) Soil Remediation at Parking Lot 851 ($2.400 million)

This prior year approved project involves the removal and disposal of contaminated soil from the Parking Lot 851 to support the Phase 2 Hotel and Performance Venue development, which follows the Province of Ontario Regulation 153/04. More specifically, the Regulation states a future development site shall have no soil and groundwater contaminants above the level set by MECP (Ministry of Environment Conservation and Parks). Exhibition Place is responsible for these costs under the existing Phase 1 Lease provisions. After discussion and approval from City FPD the total cost of $4.800 million is divided into $2.400 million in 2024 and $2.400 million in 2025 which can be accelerated based on developers' mobilization.

b) Sidewalks, Pathways Road & Lots, and New Pedestrian Features - AODA ($0.450 million)

This program is aimed at preventing deterioration of various sidewalks, pathways, and road sections on the grounds to avoid and reduce public liability, and to comply with the AODA regulations for the safety of all visitors. Aside from the replacement of the damaged section of road surfaces for the Indy track, Exhibition Place will also be continuing the repair recommendations of the 2015 Parking Study. These recommendations include resurface and overlay of deteriorated parking lots based on priority.

c) Street & Parking Lots Lighting Retrofit ($0.300 million)

This project aims to replace existing end-of-life light standards with upgraded energy efficient LED lighting to locations where necessary. Exhibition Place has 140 cobra pole streetlights which were installed over 25 years ago. These poles and the lighting fixtures are past their rated life span and require retrofit on an ongoing basis. Providing adequate and moral lighting in public areas and parking lots is required by the AODA. This budget allows only for the upgrades as outlined based on priority needs.

d) Fountains Retrofit, Various Locations ($0.200 million)

Exhibition Place has numerous exterior fountains, some of which are listed in the Ontario Heritage Structures list, including the Princes' Gates Lion Fountains, McGillivray Fountain, Peace Fountain, Princess Margaret Fountain, and the Rose Garden east and west fountains. These fountains were built from early 1920 to 1960's. As exterior fountains are subject to outdoor elements; most require retrofitting or even re-build. Restoration to these fountains is a must for Exhibition Place to not only maintain the historical fixtures but also for public safety.

Princes Margaret Fountain retrofit is the priority and the 2024 budget will allow for the project design, costing, and construction. Structurally this fountain is showing many cracks and pieces of concrete have decayed and fallen off. The pool surfaces are worn/pitted enhancing the growth of algae and accumulating dirt resulting in water quality issues. The mechanical pit hatch is cumbersome with broken supports resulting in entry safety concerns. The mechanical system is original to the fountain and the filtration system is 27 years old and needs replacement. All electrical, control panels, starters, lighting, and controls require upgrading. It is the intention to reduce potable water requirements by utilizing non-potable water in the retrofitted fountain.

e) Parking Technology (LRP) Upgrade ($0.100 million)

Parking office is planning to add car counting technology to the surface lots to improve vehicle wayfinding and parking availability across the grounds. Also, additional car charging stations will be installed in the ECC underground parking. Upgrading parking attendant kiosks equipment replacement and upgrade will also be part of the work.

f) Build Curb Stop and Storm Catch Basin Covers Replacement ($0.100 million)

Each building on Exhibition Place is supplied with water, both potable and fire protection water through single or multiple mains. On each main, there is a main building isolation valve outside of the building called a curb stop. This is the first phase of a multi-phased project to replace the isolation valves which shut the water in the event of a maintenance requirement or breakage of the system inside the building.

Some of the above-mentioned valves and storm catch basin covers are over 80 years old and are located in the ground exposed to the elements resulting in corrosion of the valve stems and degradation of the valve. In the past, these valves have only been activated in the event of a system maintenance event inside the building or a catastrophic failure which could result in flood conditions and damage inside the building. The older the valve the more difficult it is to actuate the valve to the closed position, sometimes resulting in valve stem failure leaving the valve open and unable to be closed.

The City's insurer FM Global has now made it a requirement to exercise these valves monthly to mitigate risk to the systems which they serve. By excavating and replacing these valves with modern more robust fully functioning valves, this risk is reduced.

g) New Fences/Railings Across the Grounds ($0.600 million)

Existing perimeter chain link fence along the Lake Shore Boulevard is between 35 to 40 Years old and requires replacement. Total length of fence is about 1,500 m or 1.5 km. Due to age; some fence posts are corroded and pose a security risk. For longevity, maintenance and aesthetic purpose, new fence type to be aluminum type with concrete base under to allow for a clean mowing strip and removes the need for string trimming. Design has also added concrete pavement in any areas that are not paved on the roadside of the fence between the flush curb and the edge of Lake Shore Boulevard (curb, wall, etc.).

3. Mechanical/ Electrical & Communication Infrastructure - ($2.400 million)

a) Emergency Generators Upgrade at Various Buildings ($1.100 million - 2024)
This is a previously approved project cash flow for 2024.

This prior year approved multi year project involves replacement of diesel emergency generators and fire pumps in various buildings that are at end of their life and do not meet todays standards. This is the second year of a project involving replacement of diesel fuelled generators with natural gas-fired generators and conversion of diesel fuelled pumps with electric to address state-of-good-repair backlog as well as to enhance energy savings.

b) Building Automation System ($0.200 million)

Energy efficient systems are the key to a greener Exhibition Place and thus the city. Some of the present automation systems such as Johnson Controls, automatic logic, GE Fanuc, etc. at Exhibition Place are not functioning as required and need replacement. Maintaining energy efficient systems in good working order translates to a lower utility cost and less exertion on the environment. Efficient equipment, proper programming, on lighting power on or off, directional input to AHU, cooling and heating are all part of the program.

c) Transformers, Switchgears, and Circuit Breakers (61 Sets in 38 Locations) Replacement in all Substations ($0.100 million)

This program will maintain all building and low-voltage power equipment, some of which are over 70 years old. Unplanned outages or failure of the substation equipment could cause shows or events to be shut down for days as replacements are sought. Also importantly, this program is to maintain safety standards for staff working in this high-risk area.

d) Replace Fibre Optic Cables Grounds Wide ($0.200 million)

The original fibre optic cable system is starting to break down, resulting in communication problems. When there is a communication problem due to the breakdown of the Fibre optic cable system, Exhibition Place loses monitoring of fire alarm systems and the building automation systems, and it also impacts delivery of internet services to shows and events. Therefore, replacement and upgrades to our existing Fibre optic cable to meet today and future needs is urgently recommended.

e) Upgrade Communication Infrastructure ($0.300 million)

Since its installation, the existing system has served its purpose providing a stable communication system for the operations of Exhibition Place and its partners. The average life span of a communication system is 10 to 12 years. It is time to renew the system as operations have been expanding.

f) Fluorescent Light Fixtures - Various ($0.200 million)

Fluorescent lighting systems are installed within various buildings. Existing Lamps and ballasts are at the end of their life and Exhibition Place has embarked on a program to gradually replace this system with new energy efficient and maintenance free LED lamps. This project fulfills our objectives of grid supply electricity reduction (Fluorescent to LED) and public safety concerns.

g) GS Upgrade of Infrastructure Cabling/Integration with Security Control Room ($0.300 Million)

With larger shows and festivals coming to Exhibition Place and with the ever-changing state of security in the world, renovation of existing Security Control Room is required. Existing security infrastructure including cabling is starting to break down, resulting in service disruption. When there is a communication problem due to breakdown of the cabling system, Exhibition Place loses monitoring of security and fire life safety systems. Therefore, renovations within the Security Control Room and replacement and upgrades of existing cabling infrastructure are urgently recommended.

4. Enercare Centre ($5.465 million)

a) Sectional Floor Resurfacing in Swing Space & Halls ($0.365 million)

Considering high traffic and movement of heavy equipment in Swing Space and Halls, to prevent further deterioration of concrete slab, periodic resurfacing is recommended.

b) Replace Parking Garage Traffic Topping ($0.300 million) - design

The slab is structurally sound, but the wearing surface must be renewed. The existing traffic coating is at the end of its service life. The areas of defective concrete will be removed by hydro demolition and renewed with a durable surface topping. Then a new traffic coating can be applied. Some crack repair is required in the slab on grade and the parking entrance ramp on the west side as part of this repair. Design work is scheduled to be complete in 2024 with the implementation in 2024 & 2025.

c) Replace Windows in South-East Façade with Triple Glazing ($1.500 million)

There is considerable glazing in the south façade. These are sealed thermal units dating from the construction of the building in 1996. Although there are not any noted failures listed in the assessment, but as most references consider 20 years to be the reliable service life of an insulated glass unit. It is anticipated the requirement to replace these existing units with higher grade units of triple glazing and filled with argon gas. It is recommended to replace these glazing systems.

The Galleria glazing is a high-quality framing system and was well executed. There are no significant broken seals except one unit (measuring approximately 6’ by 8’) that has lost its outer glazing. As for the remaining glazing, if recent alerts are to be accepted, it will have to be replaced before it reaches 20-25 years of age. In this case it is

anticipated the requirement to replace the existing glazing with higher grade units - triple glazing.

Elements of building envelop are the most areas that use a lot of energy and least energy efficient. Double glazing is no longer the best and the latest technology is available for triple glazing in any future window replacement.

d) Roof Sectional Replacement Over Heritage Court ($1.200 million)

This project involves roof replacement for Heritage Court at the Enercare Centre (ECC). It is a single ply system, light weight, highly reflective to reduce summer cooling loads and has an insulation value R20. The existing membrane has an estimated life of 25-30 years. Eventually, the material will degrade due to plasticizer loss from weather elements, causing the membrane to become less flexible and thus brittle and break out. Therefore, replacement is required. This budget is for sectional roof replacement with upgrade insulation to R51 to comply with current code.

If this project will not be executed, continued, and accelerated deterioration of the roof will occur. Significant damage will be done every time it rains because of the water penetration to the interior of the building. Greater capital restoration cost in future as damages continue to escalate. Increased safety risks to the public and clients. Exhibition Place is liable to the exhibitors and show managers for any damage due to roof leak to their shows and businesses.

e) Replacement of Built-up Roof - Mechanical Room, North and East Concourse Area ($1.000 million)

This project involves roof replacement of the built-up roof over the Mechanical Room, and North and East Concourse area at the Enercare Centre (ECC). Replacement is needed as it is over the estimated lifespan of 20 years and leaks are constantly being addressed. Pre-Engineering is required to determine the method and cost.

f) Replace Water Fountains ($0.100 million)

This project is to replace all water fountains that are in the Enercare Centre. These fountains were installed for the use of the public, staff, and patrons. Over time, they have deteriorated and need replacement or require major repairs to the water supply piping and the fountain units themselves. Minor repairs have been done since 1997 to keep them operational.

g) Offices HVAC and Control Upgrade ($0.250 million)

This project is for replacing aging office HVAC equipment. These offices host the administrative staff who are vital to the day-to-day operation of the show business of the building. Proper HVAC system maintains the office working environment to keep staff in a safe and comfortable environment while working. Good working condition for staff is a good strategy to maintain moral.

h) Pneumatic Valves to Direct Digital Controls Modernization ($0.200 million)

Energy efficient systems are the key to a greener Exhibition Place and thus the City. Some of the critical components of existing automation and energy management system at the Enercare Centre are not functioning as required and need replacement. Maintaining energy efficient systems in good working order translates to energy savings and Green House Gas Reductions (GHG) as a result. Replacement of obsolete pneumatic valves with Direct Digital Control valves will provide utility savings and improve occupant comfort.

i) LED Lighting and Conservation/Demand Management Offices, Galleria, common areas ($0.300 million)

This project is to retrofit the aging lighting to high efficiency LED fixtures. The existing fixtures were installed when the building was opened in April 1997. The fixtures are becoming both an environmental issue as well as a safety issue. Modern LED technology can produce the same lumens level as existing fluorescent and metal halide fixtures using a fraction of the power which helps drive down the building's carbon footprint and operating cost, and the new fixtures and bulbs no longer contain mercury which is harmful to the environment.

j) Fire Device Replacement ($0.250 million)

This project is the first phase of the upgrade of the fire enunciation system field devices. There are over 3200 of these devices which provide the condition sensing for the Fire and Life Safety System. This includes but is not limited to smoke sensors, heat sensors, beacons, strobes, pull stations, etc.

These devices are an integral part of the Enercare Centre's Fire and Life Safety System. These devices were installed when the building was constructed and opened in 1997 and are now at the end of their rated life. The main fire panels have all been upgraded in past projects and now it is time to replace the field devices to maintain the reliability required in a venue that host thousands of people.

5. Coliseum Complex ($1.425 million)

a) Sidewalk and Paving Upgrades ($0.300 million)

Based on Year 2022 condition assessment report, the raised loading dock at the east side of the North Extension building was observed to be in poor condition, with the concrete ramp showing signs of localized concrete deteriorations and spalling. The metal railing and base plates showing signs of corrosion-related deterioration causing section loss.

The east loading dock needs localized repairs, including concrete repairs and replacement of the existing metal railings to extend the loading dock’s effective service life.

The North Extension building's loading dock asphalt pavement parking area shows deteriorations in the form of longitudinal cracks, fatigue cracking, and rutting in the loading dock's parking stalls. Some areas will have to be repaved (patch paving).

The pedestrian sidewalk along the north side of the Coliseum Complex of buildings is exhibiting signs of localized deterioration, including settlement, cracking, and surface scaling. Localized repairs are required to reinstate a level walking surface.

The bollards beside vehicular entrances into the building was observed to be in poor condition, exhibiting surface corrosion and damage from apparent vehicle impacts. At present, two bollards are recommended to be replaced at the East Annex garage entrance. It is recommended to perform this work in conjunction with the concrete sidewalk repairs described above.

b) Loading Dock Doors Restoration ($0.075 million)

The project is to replace the roll-up doors down at door #27, #28 and #29 to new rubber doors with man door, as well as refurbish the lintels.

The building operators have pointed out that the roll-up doors which enter the Industry Building from the loading bay (roll-up doors #27, #28 and #29) have been damaged several times and require replacement. Due to the tight quarters, maintenance staff recommends a rubber door. It is felt that this solution will have lower repair costs, with little to no downtime awaiting parts. They have rust in the frames, on the inner steel plate over the masonry support opening, as well as on the steel wall protector on both sides of door openings.

These roll-up doors are well used during move in and move out of shows. Without them, operation will be very difficult in preparing opening of shows.

c) Flagpole installation ($0.250 million)

Due to age, existing structural base of an original flagpole requires immediate repair and replacement. A new flagpole to be installed after concrete base is poured.

d) Steam and Condensate Piping Systems Retrofit in Phases (Hot Water Conversion) ($0.100 million)

This project involves with the commencement of investment grade feasibility study for the conversion of existing steam system to hot water boilers. Typically, steam systems are very energy intensive and difficult to maintain. Feasibility study to include both Energy and Maintenance savings over time with ROI (Return on Investment) data. Based on the results, Capital budget will be allocated in future budget years.

e) Elevator Modernization (Mid-Arch, East and West Annex) ($0.500 million)

At Mid-Arch, East and West Annex, the elevator control systems are approaching obsolescence. This will result in more downtime for the elevators, delays in affecting repairs, and extra costs to the building to replace obsolete components. As a result,

modernization of the elevators will be required. This will involve replacement of the control system with a microprocessor-based system, replacement of the power unit and control valve, refurbishment of the door equipment, and replacement of the fixtures and wiring.

f) Electrical Lighting System in Phases ($0.200 million)

The existing lighting system is not as energy efficient as it used to be. The advances in technology of LED lighting make it attractive to replace the metal halide lighting with LED lighting system. Lighting control should be upgraded to group dimming. With the advancement of powerful and energy efficient LED light fixtures, the capability of dimming comes at no extra cost. Together with the technology of energy control systems, will allow for greater productivity and effectiveness for in-house staff servicing the events, as well as the flexibility to tailor the lighting, by individual fixtures, to the requirements of show manager, exhibitors, and clients.

6. Queen Elizabeth Building - (0.200 million)

a) Replace Roof at Theatre ($0.200 million)

The budget is for replacement of the QE Theatre roof of the QE complex. The Executive Offices / Fountain Dining Room roof were replaced in 2015 and the Exhibit Hall in 2019. The theatre roof is the last one in the QE complex and proposed for completion in 2024. It will be a white roof replacement consistent with the other two finished roof sections.

7. Other Buildings - ($0.925 million)

a) Various Buildings & Grounds Wide Security Surveillance System/Card Access/CCTV ($0.200 million)

This program will upgrade the security system throughout the grounds and includes the following:

- Video surveillance cameras located strategically throughout the grounds with a focus on parking areas, perimeter facilities, high security areas and high incident areas.
- Card access doors located throughout the grounds focused on electrical substations, employee work area access, and leasable space access.
- Crisis stations strategically placed in the parking garage, reception areas, main public travel routes, and high security areas.

This Exhibition Place security program has focused on addressing three fundamental security elements:

- Addressing security concerns of employees working in environments with a high probability of workplace violence.
- Securing critical infrastructure, high hazard/risk locations and the protection of assets.
- Balancing the need for physical security and ease of access.

b) Public Art & Monument Collection Restoration & Conservation ($0.050)

This project relates to the restoration, preservation, and conservation of existing collection of public arts and monuments located throughout the grounds.

Exhibition Place is the custodian of a large collection of public art and monuments, valued at approximately $2.0M. Included in the collection are paintings on canvas, painted on wall murals, glass and mosaic murals, sculptures (limestone, bronze, metal), as well as granite and brick installations. A study of the collection was completed in 2016 and a 10-year SOGR program for this collection was established. All the work will require the intervention of conservators with specialized training in various mediums of art. To date, 3 of the 8 Haines Murals have been restored as well as the sculpture in the Queen Elizabeth Theatre in 2019.

c) Princes' Gates (1927 designated) - Masonry Repointing & Flashing, rehabilitation of flag poles ($0.250 million)

The Princes’ Gates was last renovated in 2010-2011. However, there is no sufficient fund to complete all aspect of the gates such as the interior deterioration due to sweating and dampness on the inside bricks and mortar joints. Exterior minor panel replacement is also expected to be needed. It is time to inspect the structure for its integrity.

The proposed work is necessary to provide the essential state-of-good-repair; and to ensure safety. These issues should be addressed in a timely manner to avoid accelerated deterioration of this historic structures and resulting greater repair costs in the future.

d) Emergency Command Centre ($0.150 million)

With larger shows and festivals coming to Exhibition Place and with the ever-changing state of security in the world, Exhibition Place is adding infrastructure and technology to be able to operate an Emergency Command Centre (ECC) on site when required, such as FIFA 2026. The ECC would operate as a Board Room space when the need for an ECC is not required; however, infrastructure and technology installed through this project would allow for the transition to an ECC quickly and efficiently when required.

World events and the requirement for a joint site command (Police, Fire, and Paramedics) as well as any other partner is a requirement. Exhibition Place is frequently asked if it has a space that could function as an Emergency Command (Site Command) Centre with the infrastructure and technology required for partners running large scale security events.

e) Bandshell - Migrate the Inhouse Monitoring from ABB to Desigual System ($0.075 million)

A new Siemens Desigo Fire Alarm system was recently installed at the Bandshell. A fire and life safety audit has identified this opportunity of migrating monitoring of fire alarm system from ABB to Siemens Desigo.

f) Digital Video Wall ($0.200 million)

To maintain competitive advantage over other major convention centres and exhibit halls, Exhibition Place will be initiating an assessment and feasibility for the design of a Video Wall (LED display screens) at the Enercare Centre.

A video wall is a large-scale display solution created by combining multiple individual screens to form a single, large, and cohesive display surface. These screens are tied together seamlessly to display high-resolution images, videos, or animations across the entire wall. Video walls are commonly used in various settings such as conference rooms, public spaces, airports, and advertising venues. They can be used for digital signage, information dissemination, advertising, and entertainment purposes.

In today's technological era, event managers, show organizers, and consumers expect smart interactive systems for better engagement, marketing, and information.

8. Beanfield Centre - ($1.600 million)

a) Huffcor Wall Replacement ($0.150 million)

This project involves the replacement of the existing Huffcor wall system that divides the hall into two smaller spaces to accommodate smaller events. The system was first installed in 2010 and in 2024 this movable system, the fabric and the mechanism require an overhaul.

If the Huffcor wall system does not function properly, it is broken, or its fabric torn, then the hall cannot be subdivided, resulting in a decrease in the revenue generating capabilities of the hall.

Deterioration of the Huffcor wall will result in increase in maintenance costs; potential future deterioration resulting in higher future capital restoration costs. If there is a failure in the railing system, Exhibition Place would be subject to cost of emergency repairs and major liability claims.

b) Heat Pump Replacement ($1.200 million)

Replacement of the mechanical heat pumps, piping, and associated equipment such as control valves, etc. The existing heat pump system is operating year-round. It drives both the heating and cooling systems for the building. If the system fails, there will be no air circulation, heating, or cooling for the building. For climates with moderate heating and cooling needs, heat pumps offer an energy-efficient alternative to furnaces and air conditioners. Like your refrigerator, heat pumps use electricity to move heat from cool space to a warm space, making the cool space cooler and the warm space warmer. During the heating season, heat pumps move heat from the cool outdoors into your warm building and during the cooling seasons, heat pumps move heat from your cool building into the warm outdoors. Because they move heat rather than generate heat, heat pumps can provide equivalent space conditioning at as little as one quarter of the cost of operating conventional heating or cooling appliances.

c) Danfoss VFD ($0.100 million)

This project is to replace existing Variable Frequency Drive (VFD) for the fan units. Variable Frequency Drives (VFD) save energy, reduce maintenance costs, and increase longevity of the fan motors.

d) Lighting - Various ($0.100 million)

This project is to upgrade the control and distribution wiring for event lighting in the ballroom and salons to meet the state-of-the-art status and meet the requirements of the customers renting the facility. Additional lighting upgrades to LED to reduce operating costs will be included.

Technology in the conference business is continuing to evolve and existing infrastructure must be upgraded to allow for interconnectivity of the lighting systems with customer hardware to remain competitive in the industry. As the building is now 14 years old, so is the event infrastructure. This all aids in the reduction of operating expense for the conference business.

e) Fire Alarm System Upgrade ($0.050 million)

Replacing field devices is a difficult service task as part of the Fire and Life Safety System. This relates to sensors installed in ductwork that must be relocated as part of the Fire and Life Safety regulatory requirements. These items were identified in an internal fire system audit and are requirements of our insurer FM Global. Some necessary upgrades were completed in 2021. This budget is to upgrade the building fire life safety system in various other areas.

9. Better Living Centre - ($0.060 million)

a) Fire Alarm System Replacement ($0.060 million)

Existing fire alarm panels including devices are at the end of their service life and requires immediate replacement.

10. General Services Building ($0.280 million)

a) Interior Walls, Ceiling, and Finishes Retrofit ($0.050 million)

This project includes replacement of interior finishes in high use areas, fire stopping in wall assemblies, staircases, and service area wall assemblies. It also includes renovations to make building barrier free to meet City's AODA guidelines.

b) Lighting Retrofit - Various ($0.200 million)

This project involves with the replacement of all obsolete fluorescent lighting with new energy efficient LED lighting technology. New LED lighting to reduce energy and

maintenance costs as well as Green House Gas (GHG) as a result. There are about 120 fixtures to be replaced with new LED lighting fixtures.

c) Fire Alarm and Fire Code Upgrades ($0.030 million)

Project involves the replacement of existing end of life pre-action sprinkler system within the Archives office. If not replaced, there's potential of water damage to occur through the sprinkler heads.

11. Horse Palace - ($0.600 million)

a) Restoration of exterior wall (Limestone) - Heritage ($0.100 million)

Exterior wall structure (limestone) is showing signs of deterioration and small number of cavities have formed through limestone all around the building. Horse Palace is important as a historically designated building and as a major venue for the CNE fair and the Royal Agricultural Winter Fair. The proposed work is necessary to provide essential state-of-good-repair, to comply with code and safety requirements. This year budget includes procurement of a consultant to prepare design and specification to address necessary restoration of limestone structure.

b) Riding Ring Upgrade ($0.150 million)

Exhibition Place has engaged a consultant to perform a condition assessment of the Riding Ring based on a request from the Toronto Police and other stakeholders. While consultant is working on a final report, preliminary assessment has identified deterioration of ring wallboards including gates and recommended replacement. Final report may include other items (e.g., repair work of existing steel structure, wood beams etc.) which will result in cost escalations.

c) Lighting - Various ($0.350 million)

Exterior lighting along the Horse Palace building façade and surrounding areas (Horse Palace/Coca Cola Coliseum throughway and on Manitoba Drive north of Horse Palace) uses older lighting technology which is not energy efficient, and it is extremely difficult to find parts for this type of lighting.

The Horse Palace Building is designated as a heritage building, therefore lighting in general becomes a critical aspect used to emphasize the valued architecture. The strategy recommended for this building is to emphasize the building façade while not installing fixtures on the building itself. It is proposed to utilize in ground mounted directional LED fixtures with colour changing capability that surround the building softscape for example emphasizing architectural features like columns.

12. Food Building ($0.900 million)

a) Lighting ($0.800 million)

The existing lighting system is not energy efficient and replacement parts are not available. The advances in technology of LED lighting make it attractive to replace existing metal halide lighting with LED lighting system. Lighting dimming control strategy will also be implemented to maximize energy savings. With the advancement of powerful and energy efficient LED light fixtures, the capability of dimming will maximize energy savings as well as the flexibility to tailor the lighting to the requirements of exhibitors and clients.

b) Fire Alarm System renewal ($0.100 million)

During inspections of sprinkler system, deficiencies with the existing dry alarm valves (10 Valves) including pipe assembly serving sprinkler system was identified. These valves are more than 35 years old and require immediate replacement.

13. Press Building - No projects in 2024

14. Special Projects - No projects in 2024

15. Electrical Underground High Voltage Utilities ($4.300 million)

a) Phase 2 - Consolidate Sub-Stations and Upgrade Code ($1.800 million - 2024)

This is a previously approved project cash flow for 2024.

A feasibility study for Exhibition Place high voltage power distribution system and substations was completed at the end of 2017 and approved by the Board. Of the 8 priorities/phases of the Study to be completed over a 10-year period several relate to substation consolidation or upgrades:

- Consolidate indoor mid-air substations IEX, IWX, and EAX.
- Replace poor equipment in various substations due to safety and aging.
- Consolidate BLC substations (BLX, NE, NW, SE, SW) to one 13.8KV substation.
- Upgrade transformer and switchgear at TOX, WANX, and WASX.
- Upgrade switchgears at Beanfield substation.
- Upgrade General Services and Horse Palace substations.

b) Phase 1 - Replace Priority Feeders ($2.500 million)

A feasibility study for Exhibition Place high voltage power distribution system and substations was completed at the end of 2017 and approved by the Board. Of the 8 priorities/phases of the Study to be completed over a 10-year period several relate to cable replacements:

- Replace frequently failed feeders A32T/A33T to TWX and A34T/A35T to TWX.
- Replace cables A81T/A82T/A83T to NTX.

There is a need to replace all underground high and low voltage electrical cables (13,800 volts to 600 volts) and their associated equipment for isolation such as switchgears and grounding. The underground cables are old, some over 50 years old and beginning to fail. These cables supply all the power and life safety services to the buildings on the grounds as well as all street lighting and parking lot lighting. The rate of ground fault failures, splice failures, and general cable failures are increasing.

16. FIFA 2026 BMO Soccer Stadium ($16.713 million)

Improvements include accessibility upgrades to washrooms, press box window replacements, suite upgrades, dressing room upgrades, a new elevator, new temporary video boards, and new temporary seating improvements to bring to FIFA operational standards. Project will be funded by City reserves in 2024.

2024 City Initiated Project - Below the Line Funding

1. Wastewater Renewable Energy Project ($6.0 million)

To significantly reduce carbon emissions at Exhibition Place in compliance with Council adopted TransformTO net-zero emissions by 2040 and Toronto's Wastewater Energy Program.

The project is to be financed, constructed, and operated by Noventa Energy, a Toronto company, enrolled in the City of Toronto's Wastewater Energy Program. The City will provide a capital contribution of $14.0 Million ($6.0 Million in 2024 and $8.0 Million in 2025) in order to realize an average annual operating savings of approximately $400,000.

This renewable (low carbon) project saves approximately $4.0 million of capital requirements over 30-year period versus the high carbon business as usual.

Wastewater from sewers is a source of renewable thermal energy that can be used to provide low-carbon heating and cooling to buildings. This can lead to significant savings in electricity, natural gas, water costs, and meaningful reductions in GHG emissions by displacing fossil fuel use.

On Dec 15, 2022, City Council adopted net-zero emissions target by 2040. All city division, corporations, and agencies, such as Exhibition Place are to decarbonize their operations; displace fossil fuel use by 2040 or earlier.

On July 19, 2022 City Council authorized the general manager of Toronto Water and the Executive Director of Environment and Climate approve up to nine wastewater (renewable) energy projects with Noventa Energy Partners, and to enter into necessary agreements.

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SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Appendix 'A' - Proposed 2024-2033 Capital Works Program