

June 23, 2023

Mr. John D. Elvidge
City Clerk, City of Toronto
Toronto City Hall 13th fl. W.,
100 Queen St. W.
Toronto ON M5H 2N2

Re: Casa Loma Corporation 2022 Audited Financial Statements and Annual Report

The Casa Loma Corporation (CLC) Board of Directors is pleased to submit the 2022 Audited Financial Statements as well as comments on the 2022 achievements, current situation and future plans.

The Board was created by City Council in July 2011 to manage the operations of Casa Loma on an interim basis until its future ownership and management direction could be determined. In addition to the day-to-day operations, the Board was charged with evaluating future options for Casa Loma.

The Board successfully operated Casa Loma as a heritage attraction and events venue until January 2014 when with City Council approval and following a REOI process, the Liberty Entertainment Group (LEG) assumed responsibility for site operations on the basis of a 20-year lease that was negotiated for the improvement and operation of the property. Rent payments commenced in July 2014 and have, consistent with the terms of the lease agreement, continued throughout 2022.

Casa Loma, like other museums and tourist attractions, was shuttered due to COVID-19. As a result, LEG suspended all operations at Casa Loma including all special events, tourist and local visits, and service at the restaurant. Rent was abated for January 2022 and LEG continued to maintain the building and pay all related costs.

In 2022, Capital Assets successfully completed Phase 10 Restoration of Casa Loma. This project included:

- Complete restoration of the heritage perimeter wall along Walmer Road which included re-building the Roman Stone masonry piers, new concrete capstones and select replacement of the raised ribbon pointing.
- Full replacement of the courtyard paving stones. The fire services review required that the structural bearing of the courtyard be increased. The new stones are strong enough to act as a fire route and support Toronto Fire trucks.

- Full replacement of the west parking lot, which fulfills a recommendation of the Casa Loma Transportation Management Mitigation Plan. The new parking lot improves water drainage off-site and includes new light standards illuminating both the east and west parking lots.

Capital Assets and its architects and engineers also initiated the planning of the next phase of work, Phase 11, which will restore the west garden wall. This project will be tendered in Q2 2023.

When the terms of the lease agreement for the Main Campus of Casa Loma were approved by City Council in November 2013, the Board also directed staff to assess alternatives for the future of the North Campus of Casa Loma. Appropriate uses were identified with public consultation and then an RFP process was subsequently undertaken, and LEG was selected.

Negotiations related to the North Campus are still ongoing as will be the rent arrangements for 2022. The staff in EDC and Corporate Real Estate Management (CREM) are establishing a work plan which aims to complete the lease as we move beyond COVID-19. CREM and EDC will negotiate the lease and related rent arrangements for the North Campus, taking into consideration, its proposed use as determined by the RFP process.

Day-to-day management of the ongoing programmatic and capital repairs with LEG continue to be the responsibility of EDC and the lease responsibility is part of the CREM portfolio.

Yours sincerely,

Patrick Tobin, Chair Board
Members

Josie Scioli, Andrew Flynn, Don Boyle, Cheryl Blackman