REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

TO Live

New 10-Year Capital Plan and Budget

Date: November 8, 2024
To: Finance & Audit Committee and the Board of Directors of TO Live
From: President and Chief Executive Officer

REASON FOR CONFIDENTIAL INFORMATION

The attachments to this report contain financial information supplied in confidence to the Board of Directors of TO Live, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position, or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

SUMMARY

The purpose of this report is to seek Board project and spending approval for a new 10-year capital plan and budget.

RECOMMENDATIONS

The President and Chief Executive Officer recommends that the Board of Directors of TO Live:

1. Approve TO Live's new 10-year capital plan and budget, as detailed in Confidential Attachment 1.

2. Upon final approval by City Council of TO Live's 10-year capital plan and budget, approve all 2025 projects, including those with multi-year components listed in Confidential Attachment 1, and all related purchase orders and/or tender awards over $100,000 up to each individual project budget, adjusted budget or new project budget, not to exceed the available State of Good Repair (SOGR) Council approved funding.

3. Direct that Confidential Attachments 1, 2 and 3 remain confidential in their entirety because, if disclosed, could reasonably be expected to prejudice significantly the competitive position, or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

FINANCIAL IMPACT

There is no financial impact other than those listed in the report.

DECISION HISTORY

On June 20, 2024, the Board of Directors of TO Live endorsed the recommendations outlined in TO Live's Net Zero Transition Program. The Board directed the President and Chief Executive Officer of TO Live to make any necessary submissions as part of the City's Carbon Budget process to ensure TO Live's Net Zero Transition Program is considered in the 2025 capital budget.

https://secure.toronto.ca/council/agenda-item.do?item=2024.CT10.5

On October 9 and 10, 2024, City Council requested the Board of Directors of TO Live to develop an enhanced state-of-good repair plan for the St. Lawrence Centre for the Arts (STLC), utilizing the 2024 Building Condition Assessment as the baseline for the state-of-good repair requirements. City Council also directed the Chief Financial Officer and Treasurer to propose funding in the 2025 Budget for the Mayor's consideration, for an enhanced state of good repair plan informed by the 2024 STLC Building Condition Assessment, and to limit the City allocation of funds to the budget provided within the associated updated STLC Building Condition Assessment costing or as allocated through the 2025 budget process.

https://secure.toronto.ca/council/agenda-item.do?item=2024.EX17.17

COMMENTS

TO Live revises its 10-year capital plan and budget annually to reflect changing priorities and new infrastructure requirements. This review is conducted in consultation with the City's Financial Planning Department.

The updated 10-year plan indicates that some above-the-line funding has been adjusted to create new projects addressing prioritized issues, accessibility, and decarbonization initiatives. All other projects not meeting these criteria are listed below the line. These adjustments do not represent an increase to TO Live's capital budget for the nine common years from 2025 to 2033, except for projects related to the City of Toronto's TransformTO strategy and the new enhanced state of good repair (SOGR) plan for the St. Lawrence Centre (STLC). Details of these exceptions are outlined below.

The budgets and projects outlined in the 10-year plan reflect only new budget amounts and do not include any carry-forward funds from previous years.

Net Zero Transition Plan

At its June 20, 2024, meeting, the Board of Directors of TO Live endorsed the recommendations outlined in TO Live's Net Zero Transition Program and directed TO Live to make budget submissions to the City's Financial Planning Department to fund this plan under the 2025 capital budget. This plan focuses exclusively on Meridian Hall and the Meridian Arts Centre, while the STLC net-zero plan was addressed as part of the broader STLC Redevelopment. The attached 10-Year Capital Plan and Budget allocates $55.448 million to fund this plan, with $35.931 million derived from reallocations from future SOGR projects and funding previously designated as placeholders for future net-zero initiatives. The total additional funds required from the City is $19.517 million in new funding requests.

St. Lawrence Centre for the Arts Building Condition Assessment

In June 2024, City Council requested that the Board of Directors of TO Live develop an enhanced SOGR plan for the STLC based on an updated Building Condition Assessment (BCA) completed in the fall of 2024. This assessment meets accessibility standards and aligns with the City of Toronto's TransformTO strategy to achieve net-zero emissions.

In its motion EX 17.17, City Council directed the City's Chief Financial Officer and Treasurer to propose associated project funding in the 2025 Budget for the Mayor's consideration. Confidential Attachment 2 details the BCA, totalling approximately $81 million over ten years, with a recommendation to spend the majority of the funds in the first two years. Confidential Attachment 1 integrates the BCA recommendations into TO Live's proposed 10-year plan and budget. Confidential Attachment 3 details the Net Zero Transition Program for STLC.

Final funding and cash flow will be determined in conjunction with the City's Financial Planning Department and Corporate Real Estate Management before being submitted to Council as part of the 2025 Budget for the Mayor's consideration.

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SIGNATURE

Clyde Wagner
President and Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 - TO Live's 2025-2034 Capital Budget and Plan
Confidential Attachment 2 - St. Lawrence Centre for the Arts BCA & Accessibility Audit
Confidential Attachment 3 - Net Zero Transition Program for St. Lawrence Centre for the Arts