REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

TO Live

New 10-Year Capital Plan and Budget - Supplementary Report

Date: November 21, 2024
To: 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. This supplementary report includes an updated cash flow reflecting discussions with the City's Financial Planning Division and Corporate Real Estate Management.

RECOMMENDATIONS

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

1. Approve TO Live's updated 10-Year Capital Plan and Budget, as detailed in Confidential Attachment 1.

2. Upon City Council approval of TO Live's updated 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 Attachment 1 remain confidential in its 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

This supplementary report updates the cash flow originally proposed in the November 8, 2024 report on TO Live's 10-Year Capital Plan (see Confidential Attachment 1). As previously noted, final funding and cash flow determinations are to be developed in consultation with Financial Planning Division (FPD) and Corporate Real Estate Management (CREM). However, the timeline for TO Live, CREM, and FPD to review the initial report did not align with the report submission deadlines.

The initial funding requests and cash flow were based on high-level direction from FPD for Meridian Hall and the Meridian Arts Centre, as well as recommendations from the Building Condition Assessment (BCA) consultant for the St. Lawrence Centre (STLC), incorporating CREM's suggested cash flow. The summary below outlines the changes to the cash flows and funding requests.

- Meridian Arts Centre: Funding requests to address future BCA recommendations in 2033 and 2034 have been reduced by $8.424M.

- St. Lawrence Centre: Cash flow has been reallocated across the first half of the 10-Year Capital Plan instead of being concentrated in the initial years. As directed by the City, at this time, this cash flow does not include cost escalations resulting from an extended spending period. As the scope of work and design progress, further adjustments may be necessary to optimize efficiency, minimize business disruptions, and limit impacts on TO Live resident tenants and rental operations.

Should external funding for the STLC become available, as noted in Recommendation 4 of EX17.17, further revisions to the cash flow and overall project timeline will be required.

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SIGNATURE

Clyde Wagner
President and Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 - TO Live 2025-2034 Capital Plan and Budget - Updated