

## **St. Lawrence Centre for the Arts - Enhanced State of Good Repair Strategy**

**Date:** November 26, 2024

**To:** Executive Committee

**From:** Deputy City Manager, Corporate Services

**Wards:** 13 - Toronto Centre

### **SUMMARY**

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This report responds to City Council's request (Item [EX17.17](#)) for the Deputy City Manager, Corporate Services, to report back to the Executive Committee on the enhanced State of Good Repair (SOGR) plan for the St. Lawrence Centre for the Arts (STLC). Corporate Real Estate Management (CREM) and Financial Planning Division (FPD) provided advice to TO Live on its 10-year enhanced SOGR plan for the STLC, to ensure the plan followed industry standard construction and SOGR planning and program management including a reasonable projected spend over the 10-year planning horizon based on ability to execute the required SOGR projects.

The enhanced SOGR plan outlined in this report and provided to TO Live uses the 2024 STLC building condition assessment (BCA) as a baseline to ensure the facility meets health and safety, legislative requirements, the City's accessibility standards and aligns with the Transform TO strategy to achieve net-zero emissions by 2040. The enhanced SOGR plan will not fund any non-critical enhancements to the building.

CREM will continue to partner with TO Live and the Executive Director, FPD to ensure the STLC SOGR program is planned and delivered in alignment with industry standards and the BCA. This includes the proper phasing of the SOGR program to allow adequate planning and design phases in a complex real estate asset such as the STLC. Projected spend through subsequent years should also reflect realistic and executable construction plans that minimizes disruption and enables TO Live to remain operational during construction where possible.

## RECOMMENDATIONS

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The Deputy City Manager, Corporate Services, recommends that:

1. Executive Committee direct the Executive Director, Corporate Real Estate Management, in consultation with the President and Chief Executive Officer, TO Live, and the Executive Director, Financial Planning Division, to support the implementation of the enhanced State of Good Repair plan for the St. Lawrence Centre for the Arts.

## FINANCIAL IMPACT

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The estimated capital expenditures forecasted to complete the recommended enhanced state of good repair on the St. Lawrence Centre for the Arts is \$81.5 million over a 10-year period.

Per EX17.17- Update on the St. Lawrence Centre for the Arts Redevelopment, the remaining balance of \$41.9 million from the STLC Redevelopment project is available for reallocation towards the enhanced state of good repair. The enhanced SOGR program includes accessibility upgrades required by the Accessibility for Ontarians with Disabilities Act (AODA) and meeting the City's net zero requirements is \$81.5 million.

The unfunded portion (approximately \$39.6 million) of the enhanced state of good repair plan, informed by the 2024 STLC BCA and the updated cash flow provided by CREM, will be submitted through the 2025 budget process for consideration alongside other City priorities.

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this program to be considered along with other priorities in future budget processes.

## DECISION HISTORY

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At its November 25, 2024, meeting, the Board of Directors of TO Live adopted item CT12.6 - New 10-Year Capital Plan and Budget, approving TO Live's new 10-year capital plan and budget. The item also directs the President and Chief Executive Officer, TO Live, to report back on how any additional non-City funds shall be directed towards fulfilling outcomes identified in the community consultations on St. Lawrence Centre for the Arts Redevelopment Project at a special meeting to be called by the Chair as soon as possible.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.CT12.6>

At its October 9, 2024 meeting, City Council adopted Item EX17.17a - St. Lawrence Centre for the Arts Redevelopment Project - Supplementary Report, directing the

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cancellation of the St. Lawrence Centre for the Arts Redevelopment Project, and that it not proceed to the next phase of design.

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

At its October 9, 2024 meeting, City Council adopted Item EX17.17 – Update on the St. Lawrence Centre for the Arts Redevelopment project directing the Board of Directors TO Live to develop an enhanced state of good repair plan for the St. Lawrence Centre for the Arts, and collaboratively with the Deputy City Manager, Corporate Services, Executive Director, Corporate Real Estate Management, the General Manager, Economic Development and Culture, and the President and Chief Executive Officer, TO Live, to report to the December 10, 2024 meeting of the Executive Committee on the enhanced state of good repair plan. The plan should also contemplate funding as part of the 2025 budget.

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

At its April 24, 2024 meeting, the Board adopted Item CT9.9 directing the President and Chief Executive Officer, TO Live, in consultation with the Executive Director, Corporate Real Estate Management, to continue to advance the Schematic Design of the St. Lawrence Centre for the Arts Redevelopment project funded through TO Live's existing approved capital budget, and report back to Executive Committee during the fourth quarter of 2024 on the refined project cost estimates upon completion of a schematic design with appropriate Class Estimates and status on the financing strategies as STLC Redevelopment Project Page 5 of 18 outlined in the report EX6.13 entitled "St. Lawrence Centre for the Arts Redevelopment" for City Council consideration prior to the next phase of development.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.CT9.9>

At its February 14, 2024 meeting, City Council adopted Item CC15.1 (#18), requesting the Board of Directors of TO Live to direct the President and Chief Executive Officer, TO Live, in consultation with the Executive Director, Corporate Real Estate Management, to continue to advance the design refinement of the St. Lawrence Centre for the Arts Redevelopment project funded through existing approved capital budget, and report back to Executive Committee, during the first or second quarter of 2024, on the refined project cost estimates upon completion of a schematic design with appropriate Class Estimates, and status on the financing strategies, as outlined in the report EX6.13 entitled "St. Lawrence Centre for the Arts Redevelopment", for City Council consideration prior to the next phase of development.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.CC15.1>

On July 19, 2023, Council adopted item EX6.13, which approved the St. Lawrence Centre Design Competition jury's selection of Hariri Pontarini Architects, LMN Architects, Tawaw Architecture Collective, Smoke Architecture and SLA as the winning submission for the St. Lawrence Centre for the Arts Design Competition. This report also transitioned the next stages of this building program, including design and construction of the St. Lawrence Centre, within existing approved, and other available funds, to City Corporate Real Estate Management, to enter into an agreement with Hariri Pontarini Architects to complete the schematic design phase at a total cost not to exceed the existing approved capital budget for St. Lawrence Centre for the Arts -

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Studies and Redevelopment Planning of \$8.560 million (exclusive of Harmonized Sales Tax). TO Live was directed to seek consideration to reallocate the remaining \$50 million in approved St. Lawrence Centre State of Good Repair funding towards the next phases when preparing the 2024 budget, incorporating information provided in the Business Case.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX6.13>

On May 11, 2022, City Council adopted EX32.10, endorsing the building program for the new reimagined Centre for the Arts, and directed CreateTO, in consultation with TO Live, to explore the opportunity for a renovation option and costing for the existing building.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX32.10>

On January 29, 2020, City Council adopted item EX12.6, which endorsed the replacement of the STLC, located at 27 Front Street East, with a newly reimagined centre as a state-of-the-art civic hub for the City's creative communities and directed CreateTO, in consultation with TO Live, to engage in a consultation process with key stakeholders in the cultural community, the St. Lawrence neighbourhood and City divisions and agencies to develop a building program, which would inform a project budget, business model and funding strategy and a project plan and schedule to deliver StLC Redevelopment Project Page 6 of 18 a new St. Lawrence Centre for the Arts for subsequent consideration and approval by City Council.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX12.6>

## COMMENTS

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Following the adoption of item EX17.17a - St. Lawrence Centre for the Arts Redevelopment Project - Supplementary Report, CREM and FPD worked collaboratively with TO Live to develop an enhanced SOGR plan for the STLC based on the existing BCA provided by TO Live staff. CREM and FPD identified that the projected spend included in the BCA was not reflective of a realistic and executable construction plan.

CREM and FPD provided TO Live an alternative projected spend for the STLC enhanced SOGR plan (Attachment 1) which follows industry standard practice for SOGR program management. The updated projected spend follows the proper phasing of an effective repair program to allow adequate planning and design phases in a complex real estate asset such as the STLC. CREM and FPD understand that TO Live's capital budget submission will reflect the City's recommended cashflow and SOGR plan.

The funds currently allocated for the STLC enhanced SOGR program will only be directed towards capital works identified through the BCA, for health and safety, legislative, accessibility, and net zero requirements. The overall intent of the SOGR program is to address outstanding SOGR needs for the building that have not been addressed over the past eight years.

Per recommendation 3 of item *CT12.6 - New 10-Year Capital Plan and Budget*, the President and Chief Executive Officer, TO Live, will report back to the Board of Directors of TO Live with recommendations on how any additional non-City funds, if raised by TO Live, shall be directed towards fulfilling outcomes identified in the community consultations from the original St. Lawrence Centre for the Arts Redevelopment Project that are non-critical enhancements to the building to be used for programming purposes.

It is important for the identified SOGR funding to be managed separately from a financial planning perspective, to ensure proper financial stewardship and the delineation of budget directed towards required SOGR works versus non-critical enhancements to the building.

CREM will continue to partner with TO Live and the Executive Director, Financial Planning Division to ensure the STLC SOGR program is planned and delivered in alignment with industry standards. This includes the proper phasing of the SOGR program to allow adequate planning and design phases in a complex real estate asset such as the STLC.

## **CONTACT**

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## **SIGNATURE**

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David Jollimore  
Deputy City Manager, Corporate Services

## **ATTACHMENTS**

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Attachment 1 - 10-Year Enhanced State of Good Repair Program Projected Spend for the St. Lawrence Centre for the Arts Provided by Corporate Real Estate Management and Financial Planning Division

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## Attachment 1

### 10-Year Enhanced State of Good Repair Program Projected Spend for the St. Lawrence Centre for the Arts Provided by Corporate Real Estate Management and Financial Planning Division

	Projected Spend Per Year										
Building Component	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total across 10 years
Building Envelope	\$109,738.00	\$351,258.00	\$351,258.00	\$351,258.00	\$117,086.00	\$34,576.00	\$0.00	\$0.00	\$0.00	\$0.00	
Electrical System	\$332,000.00	\$1,897,400.00	\$3,415,320.00	\$3,415,320.00	\$758,960.00	\$167,629.00	\$0.00	\$0.00	\$0.00	\$0.00	
Interior elements	\$450,632.00	\$1,723,925.00	\$3,212,993.50	\$3,212,993.50	\$2,476,186.00	\$1,431,831.00	\$574,642.00	\$574,642.00	\$0.00	\$0.00	
Theater System	\$0.00	\$716,000.00	\$5,450,000.00	\$5,450,000.00	\$1,803,000.00	\$806,000.00	\$1,139,000.00	\$421,000.00	\$281,000.00	\$0.00	
Mechanical System	\$0.00	\$3,360,000.00	\$3,360,000.00	\$3,360,000.00	\$5,041,000.00	\$1,681,000.00	\$8,000.00	\$124,000.00	\$480,249.00	\$0.00	
Site Work	\$0.00	\$38,570.00	\$17,070.00	\$171,108.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Structure	\$0.00	\$0.00	\$211,750.00	\$47,935.00	\$18,170.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Accessibility (AODA Work)	\$647,404.00	\$5,741,029.00	\$5,741,029.00	\$5,741,029.00	\$3,444,618.00	\$647,404.50	\$592,986.50	\$0.00	\$0.00	\$0.00	
Total	\$1,539,774.00	\$13,828,182.00	\$21,759,420.50	\$21,749,643.50	\$13,659,020.00	\$4,768,440.50	\$2,314,628.50	\$1,119,642.00	\$761,249.00	\$0.00	\$81,500,000.00