TORONTO

REPORT FOR ACTION

Update on Transition of TO Live Capital Program

Date: August 27, 2025
To: The Board of Directors of TO Live
From: Executive Director, Corporate Real Estate Management
Wards: 13 - Toronto Centre and 18 - Willowdale

SUMMARY

Since the last update to the Board of Directors of TO Live in June 2025, City staff from Corporate Real Estate Management (CREM), Purchasing and Materials Management (PMMD), and Legal Services continue to work collaboratively with TO Live to transfer oversight of the implementation of TO Live's 2025–2034 Capital Budget and Plan, as well as future capital plans, from TO Live to CREM.

Staff established and implemented two agreements as of Q3 2025 – a Service Level Agreement, and a Management Agreement to govern both the transition and the future working relationship between CREM and TO Live. These agreements provide a clear methodology and governance framework to ensure the timely delivery of in-flight and urgent projects initiated prior to the adoption of EX19.20, and a smooth transition of capital oversight responsibilities and the effective delivery of future capital programs. In addition, the approved 2025 Capital Budget for TO Live will be transferred from TO Live to CREM through the Q2 2025 capital variance report, once adopted by City Council.

CREM has also continued to advance the State of Good Repair (SOGR) strategy for the St. Lawrence Centre for the Arts (STLC) in collaboration with TO Live. Through Council direction in EX19.20, the Board of Directors of TO Live was requested to update the Executive Director, CREM, on formal commitments for additional non-City capital funding for the STLC by no later than June 30, 2025. The Board of Directors of TO Live has not advised of any such commitments, and the planning and scope-setting phase for the STLC SOGR program is underway and will conclude in September 2025, with construction set to begin in 2026.

Should additional non-City funding become available in the future, CREM will work with TO Live to assess how best to integrate those resources into an enhanced SOGR program, as directed in Recommendation 3 in EX19.20, "wherein the additional funds shall be directed towards fulfilling outcomes identified in the community consultations outlined in the report (September 6, 2024) from the President and Chief Executive Officer, TO Live on St. Lawrence Centre for the Arts Redevelopment Project".

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management recommends that:

1. The Board of the Directors of TO Live receive this report for information.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendation in this report.

The approved 2025 Capital Budget for TO Live will be transferred from TO Live to CREM through the Q2 2025 capital variance report, once adopted by City Council. Going forward, CREM will work collaboratively with TO Live to provide strategic direction and validation of capital budgets and plans through the City's annual budget process.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

At its June 25 and 26, 2025 meeting, City Council received an update report on the transition of TO Live Capital Budget and Plan which included details for a Non-Competitive Contract with Joel Theatrical for Rigging System Upgrades at the Meridian Arts Centre.
https://secure.toronto.ca/council/agenda-item.do?item=2025.GG22.13

At its February 11, 2025 meeting, City Council was deemed to adopt Mayor's Proposed Budget including the 2025 Capital Budget for TO Live (agenda item 116) with cash flows and future year commitments totalling $77.513 million as detailed by project in Appendix 5a to the 2025 Capital and Operating Budget Notes for TO Live.
https://secure.toronto.ca/council/agenda-item.do?item=2025.MPB27.1

At its December 17 and 18, 2024 meeting, City Council rescinded the delegation to the Board of Directors of TO Live for the capital budget planning, approval and implementation for TO Live and amended City of Toronto Municipal Code, Chapter 23, Civic Theatres accordingly, and directed the Executive Director, CREM to oversee the implementation of the 2024-2033 Capital Budget and Plan as well as future capital plans in alignment with the Capital Prioritization Framework on behalf of TO Live, which included the planning, design, procurement, and execution of state of good repair projects, capital improvements, net zero, accessibility and other facility-related projects for the St. Lawrence Centre for the Arts, Meridian Hall, and Meridian Arts Centre, in consultation with the President and Chief Executive Officer, TO Live, the General

Manager, Economic Development and Culture, and the Chief Financial Officer and Treasurer.
https://secure.toronto.ca/council/agenda-item.do?item=2024.EX19.20

At its November 25, 2024, meeting, the Board of Directors of TO Live approved TO Live's updated 10-year capital plan and budget, approved all 2025 projects, including those with multi-year components 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.
https://secure.toronto.ca/council/agenda-item.do?item=2024.CT12.6

COMMENTS

Background

Since the last update to the Board of Directors of TO Live in June 2025, City staff from CREM, PMMD, and Legal Services continue to work collaboratively with TO Live to transfer oversight of the implementation of TO Live’s 2025–2034 Capital Budget and Plan, as well as future capital plans, from TO Live to CREM.

Staff established and implemented two agreements as of Q3 2025 – a Service Level Agreement, and a Management Agreement to govern both the transition and the future working relationship between CREM and TO Live. These agreements provide a clear methodology and governance framework to ensure the timely delivery of in-flight and urgent projects initiated prior to the adoption of EX19.20, and a smooth transition of capital oversight responsibilities and the effective delivery of future capital programs. In addition, the approved 2025 Capital Budget for TO Live will be transferred from TO Live to CREM through the Q2 2025 capital variance report, once adopted by City Council.

Agreement 1: Service Level Agreement (SLA) - In-flight Capital Projects

An SLA between CREM and TO Live was successfully entered into in Q3 2025. It enables TO Live to continue to deliver, under CREM oversight, several in-flight and time-sensitive projects, procured by TO Live and already in the implementation phase prior to the adoption of EX19.20, which transferred capital project delivery responsibilities from TO Live to CREM. The SLA establishes a methodology and structure for CREM to exercise due diligence by implementing regular project-based reporting on timelines, financials, and risks.

The SLA serves as a short-term bridging tool to ensure in-flight and time-sensitive projects are completed in a timely manner. Once these projects are complete, the SLA will no longer be required. Going forward, all future capital work will be delivered by CREM, governed by a long-term Management Agreement between the two organizations.

Agreement 2: Management Agreement – Future Capital Projects

CREM, in collaboration with Legal Services, worked with TO Live to execute a governance framework in the form of a Management Agreement to transition the oversight and delivery of TO Live's 2025–2034 Capital Budget and Plan, as well as future capital plans from TO Live to CREM. The development of the Management Agreement was supported by a third-party consultant, in consultation with the City and TO Live, and in alignment with the City's Capital Prioritization Framework. The Management Agreement speaks to the planning, design, procurement, and execution of SOGR projects, capital improvements, net zero, accessibility and other facility-related projects for the St. Lawrence Centre for the Arts, Meridian Hall, and Meridian Arts Centre. A supporting document to the agreement sets out a clear transition strategy, including assigned roles and responsibilities, milestone events, and timelines to ensure a well-coordinated transfer.

As part of the transition period, City staff continue to work closely with Legal Services to reassign contracts to the City from TO Live, which is in alignment with City of Toronto Act procedures.

State of Good Repair Strategy for the St. Lawrence Centre for the Arts

CREM has also continued to advance the SOGR strategy for the STLC in collaboration with TO Live. Through Council direction in EX19.20 - St. Lawrence Centre for the Arts - Enhanced State of Good Repair Strategy, the Board of Directors of TO Live was requested to update the Executive Director, CREM, on formal commitments for additional non-City capital funding for the STLC by no later than June 30, 2025. The Board of Directors of TO Live has not advised of any such commitments.

In July 2025, the City's Deputy City Manager, Corporate Services advised the Chair of the Board of Directors of TO Live that the planning and scope-setting phase for the STLC SOGR program is underway and must continue to proceed as currently planned and scheduled, based on the current confirmed budget, in order to conclude in September 2025 and allow construction to begin in 2026.

Should additional non-City funding become available in the future, CREM will work with TO Live to assess how best to integrate those resources into an enhanced SOGR program, as directed in Recommendation 3 in EX19.20, "wherein the additional funds shall be directed towards fulfilling outcomes identified in the community consultations outlined in the report (September 6, 2024) from the President and Chief Executive Officer, TO Live on St. Lawrence Centre for the Arts Redevelopment Project".

Next Steps

CREM will continue to provide updates on the TO Live capital program to the Board of Directors of TO Live, including any future resourcing implications to support project delivery.

CONTACT

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SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

ATTACHMENTS

Attachment 1 – Copy of Letter from the Deputy City Manager, Corporate Services to the Chair of the Board of Directors of TO Live (July 30, 2025)