

EX16.4 City-Wide Real Estate Review Recommendations

City Council on July 12, 13, 14 and 15, 2016, adopted the following:

1. City Council adopt in principle the directions to move to a centralized real estate operating model as broadly described in Appendix A to the report (June 13, 2016) from the City Manager and authorize the City Manager to:
 - a. recruit and appoint a transition team; and
 - b. develop a transition strategy and implementation plan, in collaboration with affected City agencies and corporations listed in Table 1 of the report (June 13, 2016) from the City Manager, including a recommended governance model incorporating a core City building mandate that considers public policy objectives such as affordable housing, public realm, public transit and economic development and to report further to the Executive Committee in the first quarter of 2017.
2. City Council establish a Council Advisory Body (Real Estate Advisory Committee) for the real estate transformation pursuant to the Terms of Reference in Appendix B to the report (June 13, 2016) from the City Manager.
3. City Council request the Boards of relevant agencies and corporations listed in Table 1 of the report (June 13, 2016) from the City Manager to participate in the development of the transition strategy and implementation plan, and provide information as required.
4. City Council request that the City's affected City agencies and corporations listed in Table 1 of the report (June 13, 2016) from the City Manager, during the development of the real estate transition strategy and implementation plan, co-operate and coordinate with the transition team, when undertaking any real estate transaction or development work of significance (whether in dollar value, City building potential, size of site, or otherwise).
5. City Council approve one-time transition costs over the next nine months of \$1.702 million (\$0.788 million in 2016, \$0.914 million in 2017) and 8 temporary positions with funding provided from the Innovation Reserve Fund (XR1713), this increase is for the establishment of a transition team, including a cross-functional Program Management Office for a nine month period (\$1.143 million) and for continued support from Deloitte LLP, the City's third-party consultant retained to support the City-wide Real Estate Review (\$0.559 million).
6. City Council amend the 2016 approved operating budget for Facilities, Real Estate, Environment and Energy by adding \$0.788 million gross and \$0 net and City Council request the Chief Corporate Officer to report back during the 2017 budget process on future requirements.

7. City Council authorize the City Manager to negotiate and execute an amending agreement with Deloitte LLP to assist in the transition phase of the City-wide Real Estate Review initiative at cost of \$0.550 million net of all applicable taxes and charges (\$0.559 million net of HST recoveries), which increases the value of the existing contract from \$0.2 million (\$0.203 million net of HST recoveries) to \$0.750 million (\$0.762 million net of HST recoveries), on terms and conditions satisfactory to the City Manager and in a form satisfactory to the City Solicitor.
8. City Council forward a copy of submission EX16.4.1 from the Board Chair of the Toronto Parking Authority, related to the city-wide real estate review, to the City Manager for consideration by the transition team as it develops the transition strategy and implementation plan for a centralized real estate operating model.