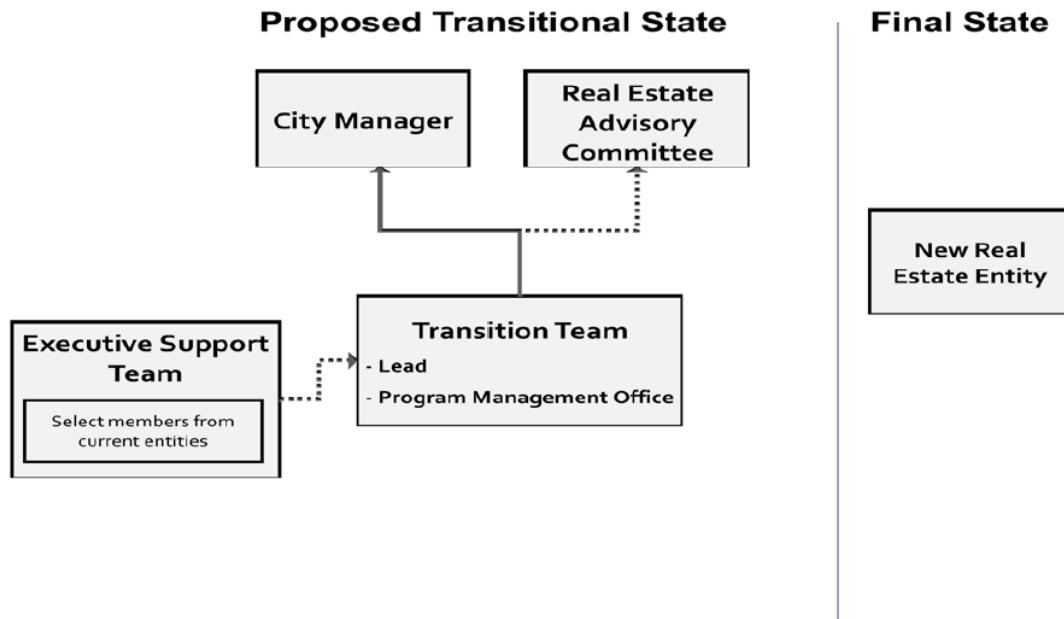


EX16.4 City Wide Real Estate Review Transitional State

City staff is proposing a transitional state to work within the City's framework prior to the end state:



The above proposed transitional state is comprised of the following key roles:

- The appointment of a **Transition Team** including a lead and a multi-disciplinary program management office. The lead will be an industry/sector recognized real estate expert with experience leading significant change management and restructuring initiatives. The role would report to the City Manager while working closely with the Real Estate Advisory Committee.

A program management office will be established to develop the transition strategy, implementation plan, and a clear mandate including deliverables with targets around City building and revenue generation. The development of the core city building mandate will consider public policy objectives such as affordable housing, public realm, public transit and economic development. This would be a full-time project team of City-wide subject matter experts (project management, policy, legal, human resources, etc.). This 8-member temporary team would report directly to the lead.

The transition team drives this initiative forward and ensures the transition strategy for the new real estate entity is completed for approval within its first year.

- The establishment of a **Real Estate Advisory Committee** (Council Advisory Body) is recommended pursuant to the Terms of Reference The Real Estate Advisory Committee will provide advice and recommendations on the implementation strategy to move forward with a

new real estate delivery model. The Committee will be composed of thirteen (13) members, including the Chair, the current Chairs for nine (9) of the agencies and corporations and three (3) citizens. The Real Estate Advisory Committee will report through Executive Committee.

Council Advisory Bodies, established by City Council under Toronto Municipal Code Chapter 27, Council Procedures, provide advice to City Council on specific areas of interest and term policy priorities. Council Advisory Bodies generally include Members of City Council and at least 50 percent citizens appointed by City Council. City Council may also direct that Council Advisory Bodies have a specific composition to achieve a Council priority.

- An **Executive Support Team** consisting of the senior leaders (President and CEOs, City Librarian and division heads) of the City agencies, corporations, and divisions appointed by the City Manager. The team is responsible for ensuring all strategic real estate related matters are managed and executed in professional co-ordination, co-operation and collaboration with each other and the Transition Lead. They will work with the transition team and make recommendations in developing the transition strategy.
- **Deloitte** will work with the Program Management Office to craft the transition strategy, facilitate visioning sessions and workshops, and deliver the detailed implementation plan. Deloitte has been involved from the outset and now have extensive experience and knowledge of the City's real estate portfolio. Not continuing with Deloitte would halt the momentum of the project and delay the transition strategy deliverable by several months. Given that Deloitte's performance to date has been very satisfactory, it is considered prudent and cost effective to amend their agreement to continue their critical role in facilitating the interim framework to guide the transition from current to future state.