
2004 BUDGET BRIEFING NOTE – Casa Loma

Issue/Background:

The Restoration Master Plan for Casa Loma completed in June of 1997, identified a number of critical repairs in particular to the masonry work, bundled within a \$20 million, 10-year implementation plan listed in the table below:

Casa Loma 10 Year State of Good Repair Program

Major Projects	Approximate Cost (\$ Millions)
North and South Terrace	5.0
2 Towers	10.0
Stables	2.0
N/E and N/W Wings Currently no public access.	1.5
Landscape Element (Includes walls from lower terrace and masonry wall around the site).	1.5
TOTAL	20.0

Recommendations regarding the Casa Loma Restoration Master Plan are included in the 2004 EMT recommended Capital Budget for Culture:

“Council confirm its commitment for the completion of the future year Casa Loma Restoration Master Plan elements beginning in 2005 and identified in Project ACH000012/50 Casa Loma Exterior Structural Restoration Future Years, for a total project cost of \$16.600 million.”

In 2005, and for the following 8 years, there are a series of annual cash flow commitments necessary to complete the Casa Loma Restoration Master Plan resulting in a total project cost of \$16.6 million in project costs. This includes annual average cash flow requirements of \$2.5 million with funding from reserves of \$0.800 million and \$1.7 million in debt.

The commitment to complete the Restoration Master Plan is critical in ensuring that the annual capital maintenance work will have a significant impact on the total work required without compromising the value of future maintenance investments.

This annual cash flow commitment would also help minimize the operational impacts while maintaining cost effective project management practices (i.e., tendering one contract, cost effective site operations, etc.) as well as achieving the restoration objective identified in the 1997 Restoration Master Plan for Casa Loma report.

Key Point(s):

- Between 1997 and 2002, approximately \$4.7 million has been spent on critical stabilization of various Casa Loma elements (e.g., decommissioning chimneys, shoring walls, etc.) that did not contribute to the overall restoration of the site as identified in the Restoration Master Plan.
- In 2002, only \$0.230 million was spent on Casa Loma Restoration Master Plan work, as Council approved expenditures were contingent on the receipt of Provincial SuperBuild funding. This resulted in a \$1.770 million backlog of 2002 planned capital work.
 - The Casa Loma SuperBuild application and appeal has not been successful, as the City could not satisfy to the Province’s satisfaction, that the capital works required for Casa Loma were necessary to address health and safety issues. The City received no other SuperBuild funding from the Province.
 - The SuperBuild funding would have accelerated the current State of Good repair 10 year program in particular the work needed on the two towers (\$10.0 million)
- In 2003, \$2.504 million was approved (see table) on a cash flow basis by Council. The 2003 approved cash flow is close to being fully spent with minimal carry forward funding projected for 2004.

Casa Loma Approved and Proposed Funding
(\$ 000)

Project/ Sub-Project Name	Total 2003 (w/o SuperBuild)		2003 Carry Forward		2004 Previous Commitments		Total 2004 Recommended	
	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt
Casa Loma Exterior Structural Restoration					1,000	1,000	1,000	1,000
2002-2004 H&S Casa Loma Exterior Structural Restoration	1,437	0	60		800		860	
Casa Loma Exterior Masonry Restoration	1,067	1,067			566	566	566	566
TOTAL	2,504	1,067	60	0	2,366	1,566	2,426	1,566

- The majority of the 2002 and 2003 expenditures were required for emergency stabilization with only \$1.0 million of the 2003 expenditures attributable to the intended restoration work identified in the 1997 Master Plan report.
 - The 2004 EMT Recommended Capital Budget will move the program back to the \$2.0 million annual average identified by the Culture Division as the minimum annual capital maintenance requirement
 - Recommended 2004 cash flow totals \$2.426 million gross including financing of \$1.566 million in debt and \$0.860 million from reserves..
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Date: February 17, 2004.