

Week of November 17/17

ESTONIAN CENTRE PROJECT UPDATE

Good progress has been made on many stages of due diligence work.

The Estonian Centre Project team is pleased to report that work related to the due diligence process is progressing well.

There are many stages to the work of planning for a new centre. Even though much of the timing is dependent on the city planning and approval process, the team is moving extremely well through its list of major tasks. We are producing solid information with respect to the project, which ultimately becomes the basis for well-informed decision-making.

The goal at all times is to ensure that this is a viable project that makes financial sense and meets the diverse needs of the community.

Some of the progress over the past several weeks includes:

- We are midway through complex budgeting exercises for both construction and operation of the new centre. These include examining multiple potential building configurations and scenarios.
- Investigation into the local and site-specific leasing market is now underway. One of the first steps in this process is identifying types of tenants and their building and space requirements. This is a key step to ensure that the centre can operate on a solid and sound financial footing.
- A critical accomplishment has been understanding and responding to the city's planning environment and planning requirements. This impacts work on the new centre and we have been able to address city planning requirements to date.
- Our work has shown that interest to purchase the existing Estonian House land is strong. This is very encouraging for the viability of the project as the proceeds from a potential sale are essential for not only proceeding with the construction but also for what is achievable in its design.
- A great deal of work has been completed on researching and understanding the zoning and heritage implications of the Broadview site. We are working with city

planners to limit its impact on the utilization of the Broadview site to the extent that this is possible.

- The overarching legal implications of both the purchase of the 9 Madison property and the sale of the 958 Broadview property are being analyzed in some detail. This will help ensure that the terms and conditions of these transactions are structured optimally for the success of the project and that they will be smoothly executed when required.
- We are fortunate that local residents and stakeholders in the Madison Avenue area have embraced and support the Estonian Centre project concepts. A very positive and well-attended local ratepayers' meeting on Madison Avenue on October 30 with city Councillor Joe Cressy also in attendance showed strong support by the community for this potential development.
- There is much more to be done in the very near term. The project consultant team is engaged, motivated and steadfastly working through the many steps involved in this process.

Estonian community consultations with all potential user groups of the new centre will be led by architect Alar Kongats, his design team and the project managers. The consultation process should begin early in 2018 and will likely take several months.

An Estonian community information meeting will take place after the completion of the due diligence period in early spring 2018. The due diligence work is targeted for completion in the first quarter of the new year. At that time we will be able to both review the results and detail the actual building configuration of the new centre and how the needs of the community would be served.

The project team would like to convey sincere thanks to the numerous volunteers who are working diligently on the project committees with excitement and enthusiasm. They are making an invaluable contribution to this project, and are ensuring steady progress toward completing the due diligence process every single day.

This is a complex project. It has many components which must be addressed and executed in a timely and organized way. We will continue to keep you updated as progress is made. Please go to www.estoniancentre.ca for more information. We welcome your emails at info@estoniancentre.ca