

**THE CITY OF TORONTO**

**City Clerk's Division**

**Minutes of the Special Meeting of the Administration Committee**

**Meeting No. 6**

**Tuesday, June 17, 2003.**

A Special Meeting of the Administration Committee was held on Tuesday, June 17, 2003, in Committee Room 1, 2nd Floor, City Hall, Toronto, commencing at 1:07 p.m.

Attendance

Members were present for some or all of the time periods indicated.

	1:07 p.m. to 6:30 p.m.
Councillor Brian Ashton	X
Councillor Rob Ford	X
Councillor Doug Holyday, Chair	X
Councillor Anne Johnston	X
Councillor David Miller	X
Councillor Frances Nunziata Vice-Chair	X
Councillor Paul Sutherland	X
Councillor David Soknacki	X

**6.1 Union Station Request for Proposals - Status Report  
Negotiations with Union Pearson Group  
(Ward 28 - Toronto Centre-Rosedale)**

The Administration Committee had before it the following reports and communications:

- (1) (January 29, 2003) from the City Clerk advising that the Administration Committee at its Special Meeting on January 29, 2003, amongst other things:
  - (I) deferred consideration of the following Recommendations Nos. (1), (2), (3) and (6) contained in the report (January 22, 2003) from the Commissioner of Corporate Services, to a special meeting of the Administration Committee to be arranged at the call of the Chair:

- “(1) a Master Agreement to Lease Union Station to the Union Pearson Group be approved on terms and conditions set out in the body of this report and be in a form satisfactory to the City Solicitor;
  - (2) the proposal deposit in the amount of \$50,000 be refunded to LP Heritage + Union Station Consortium;
  - (3) revenues to the City generated from the lease of Union Station to the Union Pearson Group be placed in a reserve account to be used solely for Union Station capital requirements, any post-closing adjustments and transaction costs, and outside legal, accounting or other consultants’ fees necessary to finalize this transaction, pending a determination of the status of the Walks and Gardens Trust; and
  - (6) appropriate City staff be authorized and directed to take all necessary actions to give effect thereto;”;
- (II) requested the Commissioner of Corporate Services to:
- (a) negotiate further with Union Pearson Group with the intent of removing the second 50 year term of the lease or otherwise reducing the length of the lease or redefining the triggering mechanisms that afford greater control to the City;
  - (b) produce the lease and any agreements related to future density rights over Union Station lands to Council for consideration, through the Administration Committee;
  - (c) review further the design issues raised by the deputants appearing at the January 29, 2003, Special Meeting of the Administration Committee, particularly pedestrian flow, east west, north and south connections, the GO concourses and the location of retail, and report on potential improvements; and
  - (d) provide a public report to the Special Meeting of the Administration Committee to be arranged at the call of Chair of the Committee:
    - (i) comparing the financial arrangements negotiated with Union Pearson Group with the original financial proposals of Union Pearson Group and LP Heritage + Union Station Consortium and with a “public sector comparator”; and

Administration Committee Minutes  
Tuesday, June 17, 2003.

---

- (ii) on what extent the City is encumbered or specific rights assigned to the proponent of reciprocal rights regarding the upper area of Union Station; and
- (III) referred the submissions and concerns raised by the deputants appearing at the Special Meeting of the Administration Committee held on January 29, 2003, specifically the issues raised by Mr. Art MacIlwain, President, Urquhart, Mr. John Sewell, Save Union Station Committee; Mr. Wayne Olson, Architect, OAA MRAIC, the Toronto Railway Historical Society, and the Toronto Preservation Board, to the Commissioner of Corporate Services for report thereon to the Special Meeting of the Administration Committee to be arranged at the call of the Chair;
- (2) report (June 12, 2003) from the Commissioner of Corporate Services responding to requests from the Administration Committee on design issues, deputant's concerns and terms of the proposed Master Agreement with Union Pearson Group; and recommending that this report be received for information;
  - (3) joint report (June 10, 2003) from the Commissioner of Corporate Services and the Chief Financial Officer and Treasurer responding to motions from the January 29, 2003, special meeting of the Administration Committee respecting the Master Agreement with Union Pearson Group; and recommending that this report be received for information;
  - (4) communication (May 27, 2003) from the City Clerk advising that Council on May 21, 22 and 23, 2003, adopted the following recommendation:
    - “It is recommended that the report dated May 22, 2003, from The Honourable Coulter A. Osborne, headed ‘Union Station Review’, be referred to the Administration Committee for consideration at its Special meeting to be held at the Call of the Chair.”;
  - (5) communication (June 9, 2003) from Mr. Patrick B. O’Leary, Managing Partner, Landau & Heyman, LP Heritage and Union Station Consortium respecting the RFP process for Union Station;
  - (6) communication (June 10, 2003) from Mr. John Sewell forwarding the June 10, 2003, brief of Save Union Station Committee and the Committee’s May 27, 2003, Bulletin for consideration of the Administration Committee at its Special Meeting;
  - (7) additional communications received respecting The Union Station Request For Proposals - Status Report - Negotiations With Union Pearson Group (Ward 28 - Toronto Centre-Rosedale):

4  
Administration Committee Minutes  
Tuesday, June 17, 2003.

---

- (1) (June 10, 2003) from Mr. Bob Martindale, Martindale Planning Services;
- (2) (June 11, 2003) from Erella Ganon;
- (3) (June 11, 2003) from Mr. George Phillips;
- (4) (June 10, 2003) from Mr. Ken Purvis;
- (5) (June 10, 2003) from Mr. Ken Lalonde;
- (6) (June 10, 2003) from Mr. David Jefferies; and
- (7) (June 12, 2003) from Mr. Gerald Lambers;
- (8) communication (June 15, 2003) from Councillor David Soknacki forwarding a recommendation for the consideration of the Administration Committee;
- (9) communication (June 16, 2003) from Mr. Ken Greenberg, Greenberg Consultants Inc., expressing his comments with respect to this matter;
- (10) communication (June 16, 2003) from Wasila Baset, expressing comments with respect to this matter;
- (11) communication (June 15, 2003) from Mr. John Rucklidge, expressing comments with respect to this matter;
- (12) communication (June 17, 2003) from Mrs. Joan York, providing her comments with respect to this matter; and
- (13) communication (June 17, 2003) from Mr. John Sewell, providing comments with respect to this matter.

The Administration Committee also had before it:

- (1) (June 17, 2003) a Fact Sheet entitled “Union Station by the Numbers”;
- (2) (June 17, 2003) a Fact Sheet entitled “Transportation and Union Station”; and
- (3) (June 13, 2003) a Backgrounder entitled “The Union Station RFP Process”.

5  
Administration Committee Minutes  
Tuesday, June 17, 2003.

---

The following members of staff gave a presentation to the Administration Committee in connection with the foregoing matter:

- Mr. Rick Ducharme, General Manager, Toronto Transit Commission, who filed a drawing of the usage of tracks at Union Station; and
- Mr. Gary McNeil, Managing Director and Chief Executive Officer, GO Transit.

The following persons from Union Pearson Group, gave a presentation to the Administration Committee respecting their proposal to renovate and restore Union Station:

- Mr. Ronald Taylor, Union Pearson Group;
- Ms. Julia Gersovitz, Union Pearson Group;
- Mr. Dave Sutherland, Union Pearson Group; and
- Mr. Cubie Dawson, Jr., Union Pearson Group.

The following persons appeared before the Administration Committee in connection with the foregoing matter:

- Mr. John Sewell, Save Union Station Committee, and filed a written submission with respect thereto;
- Mr. Stephen Otto;
- Ms. Lynne Sullivan;
- Mr. Lawrence David;
- Mr. David Garon, Toronto Railway Historical Society, and filed a written submission with respect thereto;
- Ms. Linda Sheppard;
- Mrs. Joan York;
- Mr. Dan Hammond;
- Mr. David Jeanes, Transport 2000 Canada;
- Ms. Laura Cooper;

The following Members of council also appeared before the Administration Committee in connection with the foregoing matter:

- Councillor Michael Walker, St. Paul's; and
- Councillor Pam McConnell, Toronto Centre-Rosedale.

The Administration Committee:

- (1) referred this matter back to the Commissioner of Corporate Services for further consideration and report thereon to a Special Meeting of the Administration Committee to be held at the Call of the Chair in advance of the meeting of Council scheduled to be held on July 22, 2003; **(Motion by Councillor Sutherland which passed on the following recorded vote:**

**FOR: Ashton, Holyday, Nunziata, Soknacki,  
Sutherland**

**AGAINST: Ford, Johnston, Miller)**

- (2) directed the Commissioner of Corporate Services, the Chief Financial Officer and Treasurer and the City Solicitor:

- (i) to continue negotiations with Union Pearson Group (UPG) respecting a revised Master Agreement, revised due diligence and closing schedule, and specifically raise in negotiations with UPG, a 35 year lease with a 15 year extension; **(Motion by Councillor Miller which passed on the following recorded vote:**

**FOR: Ashton, Johnston, Miller,  
Soknacki**

**AGAINST: Ford, Nunziata, Sutherland)**

- (ii) to reduce the length of the term of the lease as much as possible and report on the financial implications in doing so; **(Motion by Councillor Ashton)**

- (iii) with respect to future density, to draft any agreement so that the successful proponent has no direct or indirect advantage if any such discussion takes place; **(Motion by Councillor Miller)**
  - (iv) to discuss the potential and practicality of including an opening of a pedestrian door to align with the TTC pedestrian circulation; **(Motion by Councillor Ashton)**
- (3) referred the following motion to the Commissioner of Corporate Services requesting that as much information as possible respecting the security report be made public:
- Moved by Councillor Ford:
- “That the report concerning the recent security breach that occurred in the Office of the Director of Corporate Access and Privacy be made available to all Members of Council and the public.”; **(Motion by Councillor Soknacki)**
- (4) received all communications and submissions pertaining to the aforementioned matter; **(Motion by Councillor Soknacki) (Councillor Ashton and Councillor Miller voted in the negative with respect to the receipt of the communication (May 27, 2003) from the City Clerk);** and
  - (5) directed that, as part of the Chief Administrative Officer’s review on improving public participation on Requests for Proposals (as approved by Council in February 2003 embodied in Clause No. 1a of Report No. 14 of The Administration Committee, paragraph 2(d)), the Chief Administrative Officer, in consultation with the Auditor General, be requested to consider and make recommendations with respect to Justice Osborne’s recommendations on Requests for Proposals:

Recommendation No. 2(d) contained in the aforementioned Clause No. 1a of Report No. 14 of The Administration Committee:

“(d) prior to the consideration of any further proposals of this nature, the Chief Administrative Officer be requested to submit a report to the Administration Committee on the approach and process for the issuance of such proposals, including consideration of the following recommendation:

‘That in future proposals of this nature, City staff be directed to bring the proposal specifications to Council, and that at this stage, Council invite public participation in the design of the call, prior to its release to potential proponents.’”. **(Motion by Councillor Soknacki)**

The following Motion was **withdrawn**:

Moved by Councillor Sutherland

That the Commissioner of Corporate Services be requested to work with UPG to ensure that the lease agreement is available for consideration at the Special meeting of the committee to be held in July, 2003.

(Commissioner of Corporate Services; Chief Financial Officer and Treasurer; City Solicitor; Chief Administrative Officer; All Interested Parties – June 17, 2003)

**(Clause No. 2(a), Report No. 6)**

## **6.2 Potential Litigation – The Honourable Coulter A. Osborne**

The Administration Committee had before it communications (June 16 and 17, 2003) from Mr. Earl A. Charniak, Leners LLP, the Solicitor acting on behalf of Justice Coulter Osborne respecting a potential litigation matter.



Administration Committee Minutes  
Tuesday, June 17, 2003.

---

On motion by Councillor Soknacki, the Administration Committee referred the aforementioned communications (June 16 and 17, 2003) from Mr. Earl A Cherniak, Lerner LLP, the Solicitor acting on behalf of Justice Coulter Osborne, to the City Solicitor and the Chief Financial Officer and Treasurer for report directly to Council for its meeting scheduled to be held on June 24, 2003, on the request contained in the aforementioned communication with respect to indemnifying Justice Osborne for any reasonable legal expenses he may incur as a result of any possible litigation that may ensue with respect to the work that Justice Osborne performed regarding his report to City Council dated May 22, 2003, entitled "Union Station Review"; such report to include a potential source of funding.

(City Solicitor; Chief Financial Officer and Treasurer –  
June 17, 2003)

**(Clause No. 1, Report No. 6)**

The Administration Committee adjourned its special meeting at 6:30 p.m.

---

Chair.