

**Consolidated Clause in Policy and Finance Committee Report 9, which was considered by City Council on October 26, 27, 28 and 31, 2005.**

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**Union Station - Interim Building Management  
(Ward 28 - Toronto Centre-Rosedale)**

*City Council on October 26, 27, 28 and 31, 2005, adopted this Clause without amendment.*

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**The Policy and Finance Committee recommends that City Council adopt the recommendations of the Administration Committee contained in the communication (October 7, 2005) from the Committee.**

Recommendation:

The Administration Committee recommended to the Policy and Finance Committee that City Council adopt the staff recommendations in the Recommendations Section of the report (September 23, 2005) from the Chief Corporate Officer.

Background:

The Administration Committee on October 6, 2005 considered a report (September 23, 2005) from the Chief Corporate Officer seeking authority to amend the Interim Building Management Agreements with Toronto Terminals Railway Company Limited to provide for a three percent increase in the monthly management fee for Union Station.

Recommendations:

It is recommended that:

- (1) the Interim Building Management Agreements with Toronto Terminals Railway Limited be amended to increase the fixed monthly management fee from \$217,740.00 in 2004 to \$224,272.00 in 2005 representing a three percent increase for this year of \$78,384.00; and
- (2) City staff be authorized to take the necessary action to give effect thereto.

(Report dated September 23, 2005, addressed to the  
Administration Committee from the  
Chief Corporate Officer)

Purpose:

The purpose of this report is to amend the Interim Building Management Agreements with Toronto Terminals Railway Company Limited to provide for a three percent increase in the monthly management fee for Union Station.

Financial Implications and Impact Statement:

The proposed amendment to the Interim Building Management Agreements will increase the monthly management fee for Union Station from \$217,740 in 2004 to \$224,272 in 2005. These costs are covered by the revenues being generated at Union Station.

Recommendations:

It is recommended that:

- (1) the Interim Building Management Agreements with Toronto Terminals Railway Limited be amended to increase the fixed monthly management fee from \$217,740.00 in 2004 to \$224,272.00 in 2005 representing a three percent increase for this year of \$78,384.00; and
- (2) City staff be authorized to take the necessary action to give effect thereto.

Background:

The City purchased Union Station in August 2000. Upon closing, the City entered into an Interim Building Management Agreement with the former owner, The Toronto Terminals Railway Company Limited ("TTR") for all portions of Union Station except for the East Concourse. In May, 2001, under a separate agreement, TTR assumed responsibility for the interim building management of the East Concourse (together these two agreements are now collectively called the Interim Building Management Agreements"). TTR has continued to operate Union Station on the City's behalf for a fixed monthly management fee. In 2004, the fixed monthly management fee was \$217,740.00.

Comments:

TTR are continuing to manage Union Station on behalf of the City. With increased costs associated with operating Union Station, Sam Spares, Director of Operations for TTR, in a letter dated February 10, 2005 stated "The Toronto Terminals Railway Company is requesting an increase in the management fee for TTR's services for the year 2005. In order for us to keep pace with the increasing costs of providing the service, an increase of three percent is required effective January 1, 2005".

In accordance with this request, the monthly management fee would increase from \$217,740.00 in 2004 to \$224,272.00 in 2005.

Conclusion:

The requested increase of three percent in the Interim Building Management Agreements with TTR has been reviewed by City staff. The requested increase is fair and reasonable.

Contacts:

Name: Joe Casali  
Position: Director of Real Estate Services  
Facilities and Real Estate  
Telephone: (416) 392-7202  
Fax: (416)392-1880

Chuck Donohue, P.Eng.  
Executive Director  
Facilities and Real Estate  
(416) 397-5151  
(416) 392-4828