



**STAFF REPORT
ACTION REQUIRED**

Casa Loma Management Agreement – Request for Proposals

Date:	June 19, 2008
To:	City Council
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

The Casa Loma Management Agreement provides the strategic direction for the operation of Casa Loma as a primary heritage facility in Toronto for the next twenty years. This report provides additional information and direction on the Request for Proposals, to be undertaken by the new Casa Loma Board, that would seek a private-sector proponent to undertake programs focusing on foodservice, catering, and new special event, corporate event, festival and community clients. By inserting the City's and Kiwanis's objectives for the RFP as Clause 15.3 of the Management Agreement, a clear signal will be sent to the new Casa Loma Board about its vision and expectations for the operation of the facility.

RECOMMENDATIONS

The City Manager recommends that:

1. Clause 15.3 of the Casa Loma Management Agreement be deleted and replaced with a clause that provides that the Casa Loma Board issue a Request for Proposals, no later than October 31, 2008, in order to achieve a long-term agreement with a private-sector proponent to:
 - a. develop and operate new permanent and seasonal foodservice facilities using prime locations at Casa Loma;
 - b. provide catering services to existing and new clients;
 - c. market Casa Loma to new special events, corporate events, festival and community clients;
 - d. make a substantial long-term capital investment in Casa Loma;
 - e. play a significant collaborative role in the creation and implementation of marketing programs and business development initiatives;
 - f. increase Casa Loma revenues in order to fund enhanced heritage programming and new visitor amenities;
2. the Chief Corporate Officer in conjunction with the Executive Director of Culture review and approve the Request for Proposals prior to its issuance.

FINANCIAL IMPACT

There are no financial implications associated with the adoption of this report.

DECISION HISTORY

The Executive Committee requested the City Manager to submit a report directly to Council for the meeting scheduled to be held on June 23, 2008, on the private sector RFP process referred to in the Casa Loma Management Agreement.

ISSUE BACKGROUND

In February 2008, Kiwanis issued a two-stage Request for Proposals in order to identify a private-sector proponent to develop and operate food service and catering facilities at Casa Loma. Clause 15.3 of the recommended Casa Loma Management Agreement referenced this RFP and indicated that the process had been suspended by Kiwanis after

stage one in order for the process to be more closely managed and completed by the new Casa Loma Board.

COMMENTS

City staff met with Kiwanis subsequent to the meeting of Executive Committee on June 3, 2008 and Kiwanis advised that the RFP had been withdrawn. Kiwanis pointed out that although the vision for Casa Loma approved by Council in July 2007 did not require Kiwanis to enter into a partnership relationship with a third party, Kiwanis recognizes that building long-term strategic relationships with leading companies with expertise in special events, heritage programming and marketing will help to ensure the successful realization of the vision and strategic framework for Casa Loma.

Kiwanis indicated their intention to recommend to the new Casa Loma Board that a new RFP process be implemented to find a suitable proponent to develop and operate new permanent and seasonal foodservice facilities, provide catering services to existing and new clients, and market Casa Loma to new special event, corporate events, festival and community clients. The successful proponent will be expected to play a significant collaborative role in the creation and implementation of marketing programs and business development initiatives. The RFP will also clearly articulate the expectation that the successful proponent will make a substantial long-term capital investment in Casa Loma in order to achieve these objectives.

Given that these objectives mirror the City's objectives for the Casa Loma Request for Proposals, they should be inserted into the Management Agreement to replace the current Clause 15.3. It is understood that any Request for Proposals may not produce an agreement that fully meets all of the stated objectives, but the winning proposal will be the one that implements this vision to the greatest degree. The proponents that responded to the stage one of the RFP issued by Kiwanis in February 2008 will be invited to affirm their interest in pursuing the opportunity at Casa Loma or amend their submission based on the content of the new Request for Proposals.

CONTACT

Terry Nicholson, Manager, Cultural Affairs
Economic Development, Culture and Tourism Division
Phone: 416-392-4416 Email: tnichols@toronto.ca

Barbara Cappell, Solicitor
Legal Division
Phone: 416-397-4055 Email: bcappell@toronto.ca

Ray Kessler, Manager Leasing & Site Management
Facilities and Real Estate Division
Phone: 416-392-8115 Email: rkessle@toronto.ca

Nancy Autton, Manager, Governance & Corporate Performance
Strategic and Corporate Policy Division, City Managers Office
Phone: 416-397-0306 Email: nautton@toronto.ca

SIGNATURE

Shirley Hoy, City Manager