

Government Management Committee

Meeting No. 19 **Contact** Yvonne Davies, Committee Administrator
Meeting Date Friday, November 21, 2008 **Phone** 416-392-7443
Start Time 9:30 AM **E-mail** ydavies@toronto.ca
Location Committee Room 1, City Hall

Government Management Committee		
Councillor Gloria Lindsay Luby, Chair Councillor Bill Saundercook, Vice-Chair	Councillor Paul Ainslie Councillor Doug Holyday	Councillor Clifford Jenkins Councillor Cesar Palacio

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Declarations of Interest under the *Municipal Conflict of Interest Act*

Speakers/Presentations – A complete list will be distributed at the meeting.

**Schedule of Timed Items - 10:00 a.m. - Items GM19.1
GM19.2**

Confirmation of Minutes – October 21, 2008**Communications/Reports**

GM19.1	ACTION	10:00 AM		Ward: All
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Apportionment of Property Taxes – November 2008 Hearing

Statutory - City of Toronto Act, 2006

Origin

(November 5, 2008) Report from Giuliana Carbone, Acting Treasurer

Recommendations

The Acting Treasurer recommends that:

1. The property tax in the amounts identified in Appendix A and Appendix B, under the columns entitled “Apportioned Tax” and “Apportioned Phase In/Capping”, be approved.
2. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Summary

This report deals with 49 tax apportionment applications made by the Treasurer or to the Treasurer by an owner of land pursuant to section 322 of the *City of Toronto Act, 2006*, for the properties listed in Appendices A and B (attached).

The legislation requires Council to hold a public meeting at which the applicants and / or property owners may make representations. Council has delegated authority to hold such public meetings to the Government Management Committee.

Staff have mailed Notices of Hearing to affected taxpayers advising of the upcoming hearing before the Government Management Committee.

Financial Impact

Appendices A and B identify that approximately \$34,637.68 (as at October 23, 2008) in penalty and interest charges has accumulated on the tax accounts pending the initiation of the process to reallocate the taxes. This amount, and any other interest that will accumulate on the accounts pending the finalization of the process, will be written off, in accordance with a previous Council decision. Funding for the write-off of the interest/penalty amount is provided for in the 2008 Tax Penalty Account (Non-Program Budget).

With the exception of the penalty/interest amounts that will be written off, the reallocation of the property taxes from one account to other accounts has no financial impact on the City of Toronto and merely serves to secure the City’s revenues.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and

agrees with the financial impact information.

Background Information

Report - Apportionment of Property Taxes - November 2008 Hearing

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17368.pdf>)

Appendix A: Apportionment Report - Treasurer Initiated Tax Apportionments (October 23, 2008)

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17369.pdf>)

Appendix B: Apportionment Report - Taxpayer Initiated Tax Apportionments (October 23, 2008)

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17370.pdf>)

GM19.2	ACTION	10:00 AM		Ward: All
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Cancellation, Reduction or Refund of Property Taxes – November 2008 Hearing

Statutory - City of Toronto Act, 2006

Origin

(November 5, 2008) Report from Giuliana Carbone, Acting Treasurer

Recommendations

The Acting Treasurer recommends that:

1. The individual tax appeal applications made pursuant to section 323 of the City of Toronto Act, 2006 resulting in tax reductions totalling \$1,350,581.81 including reductions in Business Improvement Area charges and excluding phase-in/capping adjustments, as identified in Appendix A, be approved.
2. The individual tax appeal applications made pursuant to section 325 of the City of Toronto Act, 2006 resulting in tax reductions totalling \$30,857.36 including reductions in Business Improvement Area charges and excluding phase-in/capping adjustments, as identified in Appendix B, be approved.

Summary

This report deals with tax appeal applications made to the Treasurer pursuant to sections 323 and 325 of the *City of Toronto Act, 2006 (COTA)*. Section 323 permits Council to cancel, reduce or refund taxes in cases when, during the year, a property undergoes changes such as when it is destroyed by fire or demolished, becomes exempt from taxation, or is reclassified due to a change in use. Under section 325 of the *COTA*, taxpayers can request a cancellation, reduction or refund of taxes when an error in the assessment roll is identified which results in an overcharge.

The legislation requires Council to hold a public meeting where the applicants may make a submission in defence of their position. Council has delegated authority to hold such public meetings to the Government Management Committee.

Staff have mailed Notices of Hearing to affected taxpayers and recommend approval of the applications as listed in Appendices A and B.

Financial Impact

The financial impact of approving the individual tax appeal applications (excluding phase-in/capping adjustments), as identified in Appendices A and B, attached, is summarized in Table 1 below:

Table 1: Tax Appeals Summary

Appendix	No. of Applications	Recommended Tax Reduction Total	City Share	Education Share	BIA
A	101	\$1,350,581.81	\$704,126.72	\$637,711.26	\$8,743.83
B	8	\$30,857.36	\$20,317.42	\$10,468.89	\$71.05
Total	109	\$1,381,439.17	\$724,444.14	\$648,180.15	\$8,814.88

The City's share of \$724,444.14 will be funded from the 2008 Tax Deficiency Account (Non-Program Budget). The education share of \$648,180.15 will be recovered from the province/school boards, and the Business Improvement Area (BIA) reductions of \$8,814.88 will be funded from the respective BIA provision.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Cancellation, Reduction or Refund of Property Taxes - November 2008 Hearing (<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17371.pdf>)

Appendix A: Council Detail Hearing Report - Section 323 of COTA, Hearing 2008H5 (<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17372.pdf>)

Appendix B: Council Detail Hearing Report - Section 325 of COTA, Hearing 2008H5 (<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17373.pdf>)

GM19.3	ACTION			Ward: 7, 14, 34
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Designation of Sites Leased by Toronto Public Health at 2300 Sheppard Avenue West, 2340 Dundas Street West and 225 Duncan Mill Road as Municipal Capital Facilities

Origin

(November 5, 2008) Report from Giuliana Carbone, Acting Treasurer

Recommendations

The Acting Treasurer recommends that:

1. Council pass a by-law pursuant to section 252 of the City of Toronto Act, 2006,

providing authority to:

- a. enter into a municipal capital facility agreement with the owners, Shepbram Investments Inc., of the property located at 2300 Sheppard Avenue West, 690981 Ontario Limited, of the property located at 2340 Dundas Street West and Dunbourne Properties Inc., of the property located at 225 Duncan Mill Road in respect of lands leased by the City of Toronto, Public Health Division; and
 - b. exempt the leased spaces at 2300 Sheppard Avenue West (6,960 square feet), 2340 Dundas Street West (34,940 square feet) and 225 Duncan Mill Road (14,859 square feet) from taxation for municipal and school purposes, which tax exemption is to be effective from the later of the following dates: the date the municipal capital facility agreement is signed; or the date the tax exemption by-law is enacted.
2. The City Clerk be directed to give written notice of the by-law to the Minister of Education, the Municipal Property Assessment Corporation, the Toronto District School Board, the Toronto Catholic District School Board, the Conseil Scolaire de District du Centre-Sud-Ouest, and the Conseil Scolaire de District du Catholique Centre-Sud.
 3. Authority be granted for the introduction of the necessary bills to give effect thereto.
 4. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Summary

This report seeks Council authority to adopt the necessary by-laws to designate the following three Toronto Public Health (TPH) sites as municipal capital facilities and to provide a property tax exemption for municipal and education purposes for each site:

- 1) 2300 Sheppard Avenue West - Ward 7
- 2) 2340 Dundas Street West - Ward 14
- 3) 225 Duncan Mill Road - Ward 34

Providing a tax exemption for the leased space will result in a net financial savings to the City of approximately \$81,632 per year, representing the provincial education share of taxes that will no longer be payable.

Financial Impact

The annual property taxes on the premises leased by Toronto Public Health at 2340 Dundas Street West, 2300 Sheppard Avenue West and 225 Duncan Mill Road are estimated at approximately \$311,385 in total, comprised of a municipal portion of \$229,753 and a provincial education portion of \$81,632, based on 2008 Current Value Assessment (CVA) and 2008 tax rates, including all capping adjustments.

As the City currently funds the requirements of Toronto Public Health (including any property tax liability) through an annual budget allocation, a property tax exemption will allow for a decrease in Public Health's operating expenditures equivalent to the municipal and education

property taxes that would have otherwise been payable if the premises remained taxable (approximately \$311,385 annually). However, the exemption will also result in a reduction in municipal tax revenue of approximately \$229,753 per year (i.e., the municipal portion of taxes that will no longer be collected). Overall, the net savings to the City will be approximately \$81,632 per year, representing the education portion of taxes that will no longer be payable to the Province once the exemption takes effect. (See Table 1 below).

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Table 1
Financial Savings due to Property Tax Exemption
2300 Sheppard Avenue West, 2340 Dundas Street West, 225 Duncan Mill Road

	Property	Municipal Taxes	+ Education Taxes	= Total Taxes
Amounts Payable if Taxable	2300 Sheppard Ave W	\$11,822	\$9,965	\$21,787
	2340 Dundas Street W	\$174,867	\$48,043	\$222,910
	225 Duncan Mill Road	\$43,064	\$23,624	\$66,688
	Total:	\$229,753	\$81,632	\$311,385
Amounts Payable if Exempt		\$0	\$0	\$0
Gross expenditure savings due to property tax exemption:				\$311,385
Less Reduction in Municipal Tax Revenues:				-\$229,753
Total Net Savings:				\$81,632

Background Information

Report - Designation of sites leased by Toronto Public Health at 2300 Sheppard Avenue West, 2340 Dundas Street West and 225 Duncan Mill Road as Municipal Capital Facilities
(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17374.pdf>)

GM19.4	ACTION			Ward: 10
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Property Tax Exemption Agreement for Properties Owned by Bathurst Jewish Centre and United Jewish Welfare Fund (4588 and 4600 Bathurst Street)

Origin

(November 4, 2008) Report from Giuliana Carbone, Acting Treasurer

Recommendations

The Acting Treasurer recommends that:

1. Former City of North York By-law No. 29454 be repealed and the related agreement between the former City of North York and the United Jewish Welfare Fund (4600 Bathurst Street) dated June 17, 1985 be terminated and removed from title to the property.
2. Former City of North York By-law No. 33142 be repealed and the related tax cancellation agreement between the former City of North York and the Bathurst Jewish Centre (4588 Bathurst Street) dated February 2, 1998 be terminated and removed from title to the property.
3. Authority be granted for the introduction of the necessary bills to give effect thereto.
4. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Summary

This report recommends that certain tax exemption/tax cancellation agreements between the former City of North York and the Bathurst Jewish Centre (4588 Bathurst Street) and the United Jewish Welfare Fund (4600 Bathurst Street) respectively be terminated, and that related by-laws of the former City of North York be repealed. This will eliminate conditions that require property taxes for the preceding 10-year period to be repaid if the properties are sold, leased or otherwise disposed of. The property at 4600 Bathurst Street may be eligible to receive a 100 per cent rebate of property taxes under the City's rebate program for ethno-cultural centres, provided that the eligibility requirements of that rebate program are met, and 4588 Bathurst Street is currently receiving an annual rebate under the City's ethno-cultural rebate program. Legal Services Division was consulted in the preparation of this report.

Financial Impact

The property at 4600 Bathurst Street is currently exempt from taxation, and therefore the City receives no property tax revenues for this property. With the elimination of the tax exemption identified in Recommendation 1, the City's property tax revenues will increase by approximately \$21,658 (based on the property's 2008 assessment and 2008 commercial tax rates). However, it is likely that the property will become eligible to receive a 100 per cent rebate of taxes under the City's ethno-cultural rebate program. As such, the City will be required to provide an annual rebate of the same amount, or \$21,658, from the City's non-program tax deficiency account, from which ethno-cultural rebates are funded. For 2009 and beyond, this will result in no net impact to the City.

As the property at 4588 Bathurst Street is already receiving an annual rebate of property taxes under the ethno-cultural rebate program, there are no additional financial implications resulting from the termination of the tax cancellation agreement identified in Recommendation 2.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Property Tax Exemption Agreement for Properties Owned by Bathurst Jewish Centre and United Jewish Welfare Fund (4588 and 4600 Bathurst Street)

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17375.pdf>)

GM19.5	ACTION			Ward: All
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Write-Off Policy for Fines under the Provincial Offences Act Deemed Uncollectible

Origin

(October 31, 2008) Report from Giuliana Carbone, Acting Treasurer

Recommendations

The Acting Treasurer recommends that:

1. Parking related fines, fees, costs and penalties imposed under Part II of the Provincial Offences Act and/or City by-law(s) that have been outstanding for at least two years, may be written off as uncollectible consistent with Chapter 71 “Financial Control” Article VIII of the Toronto Municipal Code, once the Treasurer is satisfied that all reasonable steps to collect the amount owing have been undertaken, and if:
 - a. the person convicted and who owes the unpaid amount(s) is deceased and collection from an estate is impractical or has been unsuccessful; or
 - b. for unpaid fines totalling less than \$1,000, the person convicted and who owes the unpaid amount(s) has reached the age of 90 and no longer possesses a valid driver’s license; or
 - c. the operating entity, business or organization convicted and that owes the unpaid amount(s) has claimed bankruptcy and the City Solicitor’s office has confirmed that civil efforts to collect the amount owing have been unsuccessful or that civil efforts to collect the amount owing are not recommended given that it would likely not result in the successful recovery of the amount owing; or
 - d. the operating entity, business or organization convicted and that owes the unpaid amount(s) is no longer in operation and has no assets against which the City can pursue a claim, making collection from the defunct entity impractical.
2. Fines, fees, costs and penalties imposed under Parts I and III of the Provincial Offences Act and/or City by-law(s) that have been outstanding for at least two years, may be written off as uncollectible consistent with Chapter 71 “Financial Control” Article VIII of the Toronto Municipal Code, once the Treasurer is satisfied that all reasonable steps to collect the amount owing have been undertaken, and if:
 - a. the person convicted and who owes the unpaid amount(s) is deceased and

collection from an estate is impractical or has been unsuccessful; or

- b. for unpaid fines totalling less than \$1,000, the person convicted and who owes the unpaid amount(s) has reached the age of 90 and no longer possesses a valid driver's license; or
 - c. for fines more than fifteen (15) years old, the person convicted and who owes the unpaid amount(s) no longer resides in the Province of Ontario and the fine(s) is for an offence for which there is no mechanism for inter-provincial enforcement; or
 - d. the operating entity, business or organization convicted and that owes the unpaid amount(s) has claimed bankruptcy and the City Solicitor's office has confirmed that civil efforts to collect the amount owing have been unsuccessful or that civil efforts to collect the amount owing are not recommended given that it would likely not result in the successful recovery of the amount owing to the City; or
 - e. the operating entity, business or organization convicted and that owes the unpaid amount(s) is no longer in operation and has no assets against which the City can pursue a claim, making collection from the defunct entity impractical; or
 - f. the limitation period to pursue civil enforcement action has expired and other collection mechanisms have been, or are likely to be, unsuccessful as determined by the City Solicitor; or
 - g. for violations over 15 years old where supporting documentation providing proof of the conviction and/or payment to satisfy the amount owed cannot be located, a sworn affidavit is filed with the City by the defendant attesting to the fact they have in fact previously paid for the fine(s) and that they do not have in their possession the required documentation to prove such a claim; or
 - h. the individual or corporation convicted and who owes the unpaid amount(s) cannot be located.
3. The Treasurer, or his/her designate, be authorized to annually provide the Ministry of the Attorney General with information regarding the total value of all fines deemed uncollectible and written off during the previous municipal fiscal year as part of the Annual Performance and Progress Report to be submitted to the Ministry no later than June 30th of each year.

Summary

This report recommends a policy establishing protocols and thresholds under which *Provincial Offences Act* (POA) accounts receivable, including parking fines, shall be deemed uncollectible and therefore eligible for write-off consistent with the write-off directive and operating guideline published by the Ministry of the Attorney General.

Financial Impact

While precise financial impacts cannot be determined at this time, staff do not anticipate any

significant financial impact associated with the adoption of the recommendations contained in this report.

With respect to Part I and III offences, which fall under the Court Services Division, revenues are recorded on a cash basis as payments are received. As such, there is no financial impact associated with the recommended write-off policy for fines charged under Parts I and III of the *Provincial Offences Act*.

With respect to parking tickets (i.e. offences under Part II of the *Provincial Offences Act*), the City maintains a provision for parking tickets that remain unpaid and staff estimate of what may not be collected. Staff anticipate that the provision is sufficient to cover the cost of parking tickets that may be written off under the policy and criteria being recommended in this report. As part of the year-end review process, staff from Revenue Services and Accounting Services will continue to annually assess the appropriateness of the City's provision for unpaid parking ticket offences.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Write-Off Policy for Fines under the Provincial Offences Act Deemed Uncollectible (<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17376.pdf>)

GM19.6	ACTION			Ward: All
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Purchase Order Amendment – Sole Source Contract 47011841 for Safety Inspections, Parts, and Service for Various Aerial and Crane Devices

Origin

(November 5, 2008) Report from Director, Fleet Services Division, and Acting Director, Purchasing and Materials Management Division

Recommendations

The Director, Fleet Services Division, and Acting Director, Purchasing and Materials Management Division recommend that City Council grant authority to:

1. Extend the term and increase the amount of the current sole source blanket contract 47011841 to Wajax Industries Ltd. for safety inspections, parts, and service for various aerial and crane devices and heavy equipment for the period from December 1, 2008 to November 30, 2009 with the option to renew for four (4) additional separate one year periods. The total increase amount required to the current contract is \$150,000.00 net of GST from \$400,000.00 net of GST for a new total value of \$550,000.00 net of GST. The increases requested for each of the renewal option year periods is \$150,000.00 net of GST from December 1, 2009 to November 30, 2010, December 1, 2010 to November 30, 2011, December 1, 2011 to November 30, 2012, and from December 1, 2012 to

November 30, 2013 for a total amount of \$600,000.00 net of GST . Should the options to renew be exercised, the Director of Fleet Services will instruct the Director of Purchasing and Materials Management to process the contract renewals under the same terms and conditions. The total potential cost of the blanket contract will be increased by \$750,000.00 net of GST from \$400,000.00 net of GST to \$1,150,000.00 net of GST.

Summary

This report requests authority to amend and extend the current sole source contract 47011841 to Wajax Industries Ltd., being the only Ontario authorized dealer for safety inspections, parts, and service for various aerial and crane devices and heavy equipment for Fleet Services from December 1, 2008 to November 30, 2009 with the option to renew for four (4) additional separate one (1) year periods.

Financial Impact

The amendment to the current blanket contract 47011841 for the extended period November 30, 2008 to December 31, 2008 results in an increase of \$12,500 net of GST. Funding is available in the approved 2008 Fleet Services Division Operating Budget as indicated below. The estimated cost of \$137,500 for 2009 is included in Fleet Services' 2009 Operating Budget submission. Should the options to renew be exercised, then the required funding will be included in Fleet Services' 2010, 2011, 2012 and 2013 operating budget submissions.

Table 1

Fleet Maintenance Accounts	Nov 30, 2008 to Dec 1, 2008 net GST	Jan 01, 2009 to Nov 30, 2009 net GST	Option Year (1) Dec 01, 2009 to Nov 30, 2010 net GST	Option Year (2) Dec 01, 2010 to Nov 30, 2011 net GST	Option Year (3) Dec 01, 2011 to Nov 30, 2012 net GST	Option year (4) Dec 01, 2012 to Nov 30, 2013 net GST	Total net GST
FL1005	\$ 3,125.00	\$ 34,375.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 187,500.00
FL1602	\$ 3,125.00	\$ 34,375.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 187,500.00
FL1606	\$ 3,125.00	\$ 34,375.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 187,500.00
FL1702	\$ 3,125.00	\$ 34,375.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	\$ 187,500.00
Total	\$12,500.00	\$137,500.00	\$150,00.00	\$150,00.00	\$150,000.00	\$150,000.00	\$750,000.00

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Purchase Order Amendment - Sole Source Contract 47011841 For Safety Inspections, Parts, and Service for Various Aerial and Crane Devices

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17377.pdf>)

(Deferred from October 21, 2008 - 2008.GM18-8)

GM19.7	ACTION			Ward: All
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Exhibition Place - Records Retention By-law Amendment**Origin**

(November 6, 2008) Report from Chief Executive Officer, Exhibition Place

Recommendations

It is recommended that the City Council:

1. Approve the draft by-law set out in Appendix A to this report.
2. Approve the records retention schedule set out in Appendix B to this report.
3. Pass any necessary by-law substantially as set out in Appendix "A" and to establish the records retention schedules set out in Appendix "B".
4. Authorize and direct the appropriate Exhibition Place and City Officials to take the necessary action to give effect there.

Summary

Under section 201 of the City of Toronto Act, 2006, a record of the City or of its Local Boards, other than a copy of the original record, may only be destroyed if the retention period for the record has expired, except as otherwise provided. In 2006, the City of Toronto approved By-Law No. 688-2006 which established a retention schedule for Exhibition Place.

When the Exhibition Place retention schedule was approved by City Council in 2006, there was an understanding that the schedule did not address all existing records series and that subsequent by-law amendments would capture new record series. This report requests approval for a routine amendment to the Board's records retention by-law, Municipal Code c. 219, Records, Corporate (Local Boards).

These amendments revise the existing records retention schedule by adding new classes of records to the schedule, by amending existing record series descriptions, and by permitting the destruction of unusable records. The appendices containing the draft by-law amendment and the new records retention schedule were prepared by staff of the Records & Archives Unit of Exhibition Place and have been reviewed by the following Exhibition Place staff: the Chief Executive Officer, Corporate Secretary and Chief Financial Officer. They have also been reviewed by the City Legal, City Archivist and the external auditor. All concur that the retention schedules affected by this report are appropriate and in compliance with applicable standards and legislation.

Financial Impact

There are no financial implications resulting from the adoption of the recommendation in this report.

Background Information

Report - Records Retention Bylaw Amendment

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17378.pdf>)

Appendix B - Records Retention Bylaw Amendment

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17379.pdf>)

GM19.8	ACTION			Ward: 20
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Roundhouse Rail Heritage

Origin

(November 6, 2008) Report from Sue Corke, Deputy City Manager, and Cam Weldon , Acting Deputy City Manager and Chief Financial Officer

Recommendations

The Deputy City Manager responsible for Economic Development, Culture and Tourism and the Acting Deputy City Manager and Chief Financial Officer recommend that:

1. Council establish a discretionary reserve fund called the “Rail Heritage Reserve Fund” to provide a source of funding for the development and state of good repair of Rail Heritage associated with the John Street Roundhouse (Attachment A).
2. Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the “Rail Heritage Reserve Fund” to Schedule #7, Corporate Discretionary Reserve Funds, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.
3. Authority be granted to the Executive Director of Cultural Services to expand the scope of City rail heritage work to be coordinated and undertaken by the Tenant, in compliance with applicable City policies, including fair wage and labour trades, in order that the disruptive park construction be completed before July 2009 to coincide with the tenant’s grand opening and that any contracting money advanced by the Tenant to complete City work be deducted from the prepaid basic rent to be paid to the City, expected before summer 2009.
4. The Roundhouse Park Plan (Attachment B) be received for information.
5. The Chief Corporate Officer be directed to determine any necessary adjustments to the boundaries of Hydro One’s Transformer Station lands, to facilitate a more compact underground configuration that would avoid demolition of the Roundhouse Machine Shop and support a reinstated driveway access, including any necessary conveyances to Hydro One and any reconveyances of the Transformer Station Lands to the City, and to report back to City Council for its consideration and direction.

Summary

The John Street Roundhouse was built by the Canadian Pacific Railway (“CPR”) in 1929 to

service the steam locomotives that hauled CPR passenger trains into the new Union Station. When steam engines were finally retired in 1959-60, the Roundhouse was converted to servicing diesel locomotives and it remained in service until 1986.

At its meeting of September 25, 26 and 27, 2006 (Clause 39 of Report 6 of the Administration Committee), Council approved a 60 year head lease (the “Lease”) with John Street Roundhouse Development Corp. (the “Tenant”) to restore and revitalize the Roundhouse and expanded Steam Whistle’s lease to include 3 more bays and set their remaining term to expire on April 30, 2032. As part of the Lease, the Tenant agreed to pre-pay 60 years worth of basic rent or \$4.8 million. The City agreed to restore the related historic structures and develop a rail heritage museum in association with the Toronto Railway Historical Association (TRHA) within 7 years of September 2006.

The purpose of this report is to inform Council of the progress on the implementation of the Rail Heritage Museum as well as solutions being worked on to mitigate any negative impact that a new hydro transformer station might have on this National Historic Site. Building restoration and tenant improvements have commenced and the railway turntable has been restored and is now operational. The initial phase of Rail Heritage Museum involves three bays of the Roundhouse and re-establishing a modest portion of the rail heritage landscape to help interpret the site. This will be accomplished by placing radial display track from the turntable into the park to showcase the rail artifact collection consisting of locomotives and other rolling stock, and opening a series of restored railway structures to the public, including the original Don Station which is being moved from Todmorden Mills.

Financial Impact

There are no requirements for additional funding associated with this report.

The Economic Development, Culture and Tourism Recommended 2009 Capital Budget and the Recommended 2010 – 2013 Capital Plan project a total of \$9.234M gross/\$2.0M net to complete the park improvements, restoration of associated heritage buildings including the Don Station, and the development of the Rail Heritage Museum in conjunction with the Toronto Rail Heritage Association. The budget recommends \$2.55M/\$0 net in 2009 to improve public access to the rail heritage assets of the John Street Roundhouse and anticipates the establishment of the Rail Heritage Reserve Fund for the 2010 – 2013 Capital Plan.

A capital cost plan has been developed for the Rail Museum space in the Roundhouse, the park improvements and heritage building restoration and artifact stabilization as part of the capital submission. Once completed, the heritage operation will be run by the Toronto Railway Historical Association (TRHA), an organization of local volunteers who have registered as a national charity. Modest museum admissions, select corporate sponsorship together with revenues from a miniature steam train ride in the park will all be used to offset operational costs.

During the design and construction of the Tenant’s work, it became apparent that the successful completion of their space relied on timely completion of the City work. The economic efficiencies of linking some aspects of the project will directly benefit the City. As the Tenant completes approved City work, to be deducted for the pre-paid basic rent, the EDCT Capital Plan will be adjusted by the same amount.

All of the necessary and substantial capital improvements required to restore the Roundhouse (including ongoing building maintenance) is now the responsibility of the Tenant. With commercial sub-tenants occupying 29 of the 32 bays, the building will start generating its property tax potential.

Background Information

Report - Roundhouse Rail Heritage

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17380.pdf>)

Attachment A - Rail Heritage Reserve Fund Criteria

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17381.pdf>)

Attachment B - Roundhouse Park Plan

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17382.pdf>)

GM19.9	ACTION			Ward: All
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Agreement between the City of Toronto and Toronto Catholic District School Board for After School Space

Origin

(October 29, 2008) Report from Brenda Patterson, General Manager, Parks, Forestry and Recreation

Recommendations

The General Manager of Parks, Forestry and Recreation Division recommends that:

1. Authority be granted to negotiate and enter into a License Agreement with the Toronto Catholic District School Board for a ten (10) month term commencing September 1, 2008 and ending June 30, 2009, for the current use of certain rooms in the schools as specified in Schedule "A," and any future use of TCDSB school sites as determined by the General Manager of Parks, Forestry and Recreation and the TCDSB, at a fee to be offset through the Exchange of Services Agreement, in a form and content acceptable to the General Manager of Parks, Forestry and Recreation, and all in a form and content satisfactory to the City Solicitor.

Summary

The purpose of this report is to request City Council authority to negotiate and enter into a license agreement for a ten (10) month term with the Toronto Catholic District Board (TCDSB) for the current use of certain rooms in the schools as specified in Schedule "A" commencing September 1, 2008 and ending June 30, 2009, and any future use of TCDSB school sites as determined by the General Manager of Parks, Forestry and Recreation and the TCDSB.

The term of this agreement shall automatically renew on an annual basis, for a further ten (10) month term, subject to all terms and conditions of the agreement being met.

License fees and any additional fees for the use of the school space will be offset through the Exchange of Services Agreement approved by City Council on October 29, 2008. In the event

that the Exchange of Services Agreement expires, is terminated, or otherwise ceases to be in effect, the City will be required to pay \$500 in license fees which also includes consumables for each school site that will be absorbed by the After School Recreation and Care (ARC) program and recovered from user fees.

Financial Impact

The current budget is zero. The incremental impact if the Agreement expires is terminated, or otherwise ceases to be in effect, will be absorbed by the Parks, Forestry and Recreation Division.

The Licence Fee and any additional fees for the use of the school space will be offset through the Exchange of Services Agreement approved by City Council on October 29, 2008.

In the event that the Exchange of Services Agreement expires, is terminated, or otherwise ceases to be in effect, the City will be required to pay a Licence Fee of \$400.00 for each school, plus applicable G.S.T., and a Cost Contribution of \$100.00 for the cost of washroom consumables, such as hand soap, toilet paper and paper towels. This will result in a total cost of approximately \$3,500 per year for the use of space in 7 schools for as long as the city occupies the premises.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Agreement between the City of Toronto and Toronto Catholic District School Board for After School Space

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17383.pdf>)

GM19.10	ACTION			Ward: All
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Contract Award – Request for Proposal (RFP) 0612-08-0248 Supply, Installation and Operation of Snack and Hot Drink Vending

Origin

(November 4, 2008) Report from General Manager, Parks, Forestry and Recreation Acting Director, Purchasing and Materials Management Division

Recommendations

The General Manager of Parks, Forestry and Recreation and the Acting Director of Purchasing and Materials Management recommend that:

1. City Council grant authority to enter into an agreement with Imperial Vending Services Inc. being the highest overall scoring Proponent meeting the requirements of the RFP for the Supply, Installation and Operation of Snack and Hot Drink Vending within the Parks, Forestry and Recreation (PFR) Division for the period from January 1, 2009 to December 31, 2010 with an option to renew the agreement for a two (2) year term for

the period January 1, 2011 to December 31, 2012. Should the option to renew be exercised, the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Summary

The purpose of this report is to advise the Government Management Committee on the results of Request for Proposal (RFP) 0612-08-0248 for the Supply, Installation and Operation of Snack and Hot Drink Vending within the Parks, Forestry and Recreation (PFR) Division, and to request authority to enter into a two (2) year agreement with the recommended Proponent for the period January 1, 2009 to December 31, 2010 with an option to renew the agreement for an additional two (2) year term for the period January 1, 2011 to December 31, 2012.

Financial Impact

The total potential revenue identified in this report is \$398,200.00. There are no costs that the City will incur with the implementation of the proposed agreement. Imperial Vending Services Inc. shall be responsible for all operating costs and all other related costs for the operation of the vending machines.

The recommended Proponent, Imperial Vending Services Inc., will provide guaranteed payments to the City totalling \$91,300.00 per year for the Supply, Installation and Operation of Snack and Hot Drink Vending Services from January 1, 2009 to December 31, 2010. Should the option to renew be exercised, the agreement will provide additional guaranteed payments of \$91,300.00 annually until the agreement expires on December 31, 2012.

Imperial Vending Services Inc. will also pay the City 25% of net hot drink vending sales estimated at a payment of \$2,000.00 annually to operate ten (10) hot drink vending machines.

A further one time payment of \$12,500.00 will be received for 2009 as a signing bonus to be paid by Imperial Vending Services Inc. for the two year agreement. Should the option to renew the agreement be exercised, an additional payment of \$12,500.00 will be received in 2011 as a signing bonus.

Due to the termination of the previous Snack and Hot Drink Vending Agreement unrealized revenue for 2008 will be \$185,000.00. A revenue target adjustment has been submitted for consideration with the 2009 Parks, Forestry and Recreation Operating Budget submission to reflect the actual expected revenues from the new contract.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Contract Award - Request for Proposal (RFP) 0612-08-0248 Supply, Installation and Operation of Snack and Hot Drink Vending

<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17384.pdf>

(Deferred from October 21, 2008 - 2008.GM18.15)

GM19.11	ACTION			Ward: 28
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Union Station West Wing Lease**Confidential Attachment - 1 - A proposed or pending acquisition or sale of land for municipal or local board purposes****Origin**

(October 3, 2008) Report from Chief Corporate Officer

Recommendations

The Chief Corporate Officer recommends that City Council:

1. Authorize the Chief Corporate Officer to negotiate and enter into a Lease (the “Lease”) with the proposed third party identified in confidential Attachment 1 to this report (the “Tenant”) for the use and occupancy by the Tenant of a portion of the first floor, the entire second, third and fourth floors of the west wing and the north side of the second, third and fourth floors of centre block of Union Station, comprising approximately 87,330 square feet of rentable area (the “Premises”), substantially on the terms set out in Attachment 1, and such other terms and conditions as may be acceptable to the Chief Corporate Officer, in a form satisfactory to the City Solicitor.
2. Authorize the public release of the confidential information in Attachment 1 once the Lease has been executed.
3. Authorize the Chief Corporate Officer to administer and manage the Lease including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.
4. Authorize the Chief Corporate Officer to extend the retainer for NORR Architects (“NORR”), with such sub-consultants as may be necessary, at a cost not to exceed \$1,935,000. plus GST, to enable NORR to secure the necessary heritage approvals from Parks Canada for the restoration of the west wing, complete the design and tender documents and provide all site supervision requirements to ensure completion of the City’s base building work for the Premises on or before January 1, 2012.
5. Amend the 2009 Recommended Capital Budget and 2010-2013 Capital Plan for Union Station to provide for increased base building improvements of \$16,600,000 (including Architect fees) with the costs associated with same to be recovered from Base Rent payments to be received from the Tenant, as set out in the Attachment 1.

Summary

At its meeting of December 11, 12 and 13, 2007, Council endorsed the Recommended Approach as the conceptual framework for the revitalization of Union Station. Among other

things, recommendations in this report, authorized the Chief Corporate Officer to initiate negotiations with third parties to pursue development of the Recommended Approach.

A third party has expressed an interest in entering into a long-term office lease for the use of a portion of the first floor, the entire second, third and fourth floors of the west wing and the north side of the second, third and fourth floors of centre block of Union Station, consisting of approximately 87,330 square feet.

This report also seeks authority to extend the retainer for NORR Architects to enable the City to secure heritage approvals from Parks Canada and to complete certain base building improvements to the west wing of Union Station on or before January 1, 2012, as required pursuant to the proposed lease terms.

Financial Impact

During the term of the Lease, the City will receive long term market net rental payments from the Tenant as set out in Attachment 1.

The City will complete, at its own cost and expense, all base building improvements to the Premises on or before January 1, 2012. In order to fulfill this requirement, NORR will need to commence the appropriate design work as soon as possible allowing for the construction tendering in the later part of 2009. The cost to complete the base building improvements of \$16,600,000 (including Architect fees) will be recovered from the rent payments to be received from the Tenant, as set out in Attachment 1. The remainder of the rent payment will be allocated to the Union Station project as part of the 2009 Budget process.

The Tenant will complete, at its own cost and expense, all renovations, installations and tenant improvements to the Premises, on or before December 31, 2013, subject to obtaining the prior approval of the City and Parks Canada.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Union Station West Wing Lease

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17220.pdf>)

Confidential Attachment 1 - GM19-11

GM19.12	ACTION			Ward: 23
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Acquisition of 283 Greenfield Avenue

Confidential Attachment - A proposed or pending acquisition or sale of land for municipal or local board purposes

Origin

(October 20, 2008) Report from Chief Corporate Officer, and General Manager, Parks Forestry and Recreation

Recommendations

The Chief Corporate Officer recommends that:

1. City Council adopt the confidential recommendations to staff in Attachment 1.
2. City Council authorize the public release of the confidential information and recommendations in Attachment 1, once the transaction has closed.
3. The Offer to Sell from the owner of the property known as 283 Greenfield Avenue be accepted substantially on the terms outlined in Attachment 1 to this report, and that either the Chief Corporate Officer or the Director of Real Estate Services be authorized severally to accept the Offer on behalf of the City.
4. This report be forwarded to the Budget Committee for consideration.
5. The City Solicitor be authorized to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as he or she consider reasonable.
6. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Summary

The purpose of this report is to seek authority for the City to acquire the property municipally known as 283 Greenfield Ave. This property is required to expand Greenfield Maplehurst Park.

Negotiations with the owner of this property have been ongoing since June 2007. The owner is awaiting approval from Government Management Committee, Executive Committee and Budget Committee as they have already signed an irrevocable Offer to Sell their property to the City. Appendix "A" to this report describes the salient terms of this proposed acquisition, which are considered fair and reasonable.

Financial Impact

The total cost of this transaction, which includes acquisition of land for parks purposes and demolition of the existing building, will be funded from Parkland Acquisition North York City Wide Reserve Fund (XR2039).

A further breakdown of all costs associated with this transaction is provided in Attachment 1.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Acquisition of 283 Greenfield Avenue

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17385.pdf>)

Appendix A - Location Map 283 Greenfield Avenue

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17386.pdf>)

Appendix B - Proposed Greenfield Maplehurst Park

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17387.pdf>)

Confidential Attachment 1 - Acquisition of 283 Greenfield Avenue

GM19.13	ACTION			Ward: 27
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Arbitration Settlement - 2 Bloor Street West

Origin

(November 6, 2008) Report from Chief Corporate Officer

Summary

The purpose of this report is to advise that a staff action report, “Arbitration Settlement 2 Bloor Street West” will be on the Supplementary Agenda for the Government Management Committee meeting scheduled for November 21, 2008.

Background Information

Report - Arbitration Settlement 2 Bloor Street West

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17389.pdf>)

GM19.14	Information			Ward: 17
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Expropriation of Portions of 1797 St. Clair Avenue West

Origin

(November 6, 2008) Report from Chief Corporate Officer

Summary

The purpose of this report is to advise on the progress of consultations with Imperial Oil for the purpose of improving the appearance of 1797 St. Clair Avenue West.

Financial Impact

There are no financial implications associated with this report as it is only required to update Council on the progress of negotiations with Imperial Oil.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Expropriation of Portions of 1797 St. Clair Avenue West

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17390.pdf>)

Appendix A - Location Map

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17391.pdf>)

Appendix B - Draft Plan of Expropriation dated April 1, 2008 and identified as Job Number 2008-0286

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17392.pdf>)

GM19.15	ACTION			Ward: 8
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Licence Renewal – Lands Adjacent to 3965 Keele Street

Origin

(October 31, 2008) Report from Chief Corporate Officer

Recommendations

The Chief Corporate Officer recommends that:

1. Council authorize the proposed three (3) year renewal of a licence agreement with Imperial Oil, a partnership of Imperial Oil Limited and McColl-Frontenac Petroleum Inc. (the Licensor) for the use of a portion of lands known as Finch Terminal, located adjacent to the City-owned property municipality known as 3965 Keele Street, for the purposes of an existing asphalt driveway and parking curb commencing on January 1, 2008 and expiring on December 31, 2010 under the same terms and conditions as in the existing Licence Agreement, as outlined in Appendix “A” to this Report.
2. The Chief Corporate Officer be authorized to administer and manage the renewal agreement including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.
3. The Chief Corporate Officer be authorized and delegated to approve any future renewals of this licence indefinitely, as required by Toronto Fire Services.

Summary

The purpose of this Report is to obtain Council’s authority to enter into a three (3) year renewal of a licence agreement with Imperial Oil, for the City’s use of a portion of Imperial Oil lands known as Finch Terminal, adjacent to the City-owned property municipality known as 3965 Keele Street. The licence is for the use of an existing asphalt driveway and parking curb.

Financial Impact

This licence is required by Toronto Fire Services. Although there are no fees related to the licensing of this property, the City is responsible for maintenance and upkeep of the licensed land. All associated costs will be accommodated within the Toronto Fire Services existing and future year capital and operating budgets as required.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Licence Renewal - Lands Adjacent to 3965 Keele Steet

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17393.pdf>)

Appendix A - Major Terms and Conditions of the Existing Licence

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17394.pdf>)

Appendix B - Location Map

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17395.pdf>)

GM19.16	ACTION			Ward: 10
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Site Licence at the Corner of Allen Road and Transit Road

Origin

(November 4, 2008) Report from Chief Corporate Officer

Recommendations

The Chief Corporate Officer recommends that City Council:

1. Authorize the City to enter into a License Agreement with Rogers Wireless Inc.(the “Licensee”) to use and occupy approximately 48.26 square meters of land area, located on the corner of Allen Rd and Transit Road (the “Premises”) for its wireless network services, commencing Jan 1, 2007 and expiring on Dec 31, 2016, substantially on the terms and conditions as set out in “Appendix A” and on such other terms and conditions as approved by the Chief Corporate Officer, or his or her designate, and in a form and content acceptable to the City Solicitor.
2. Authorize the Chief Corporate Officer to administer and manage the License Agreement including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

Summary

The purpose of this Report is to obtain City Council approval to enter into a license agreement (the “**Licence Agreement**”) with Rogers Wireless Inc. (“**Rogers**”) to permit Rogers to continue to maintain their wireless equipment cabinets and antennas on City of Toronto (the “City”) property at the southeast corner of Allen Road and Transit Road.

The proposed agreement is for five years with renewal right for another 5 years.

Financial Impact

This licence will generate total revenue of \$113,011.06(net of GST) over the 5 years term starting retroactively from Jan 1, 2007 as follows:

Year	1	2	3	4	5	Total
Annual Fee (2.5% escalation)	\$ 21,500.00	\$ 22,037.50	\$ 22,588.44	\$ 23,153.15	\$ 23,731.98	\$ 113,011.06
Monthly Fee	\$ 1,791.67	\$ 1,836.46	\$ 1,882.37	\$ 1,929.43	\$ 1,977.66	

Rogers is responsible for all other applicable taxes and utility costs. There are no outstanding payments from the existing licence agreement.

This revenue represents an approximate annual increase of \$9,200.00, for a total increase of approximately \$46,000.00 over the five year term.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Report - Site Licence at the Corner of Allen Road and Transit Road
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17396.pdf>
 Schedule A - Major Terms of the License Agreement
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17397.pdf>
 Schedule B - Location Map
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17398.pdf>

GM19.17	ACTION			Ward: 29
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Don Valley Brick Works – Ground Lease Amendments and New Parking Lot Lease – Part of 550 Bayview Avenue

Origin

(November 5, 2008) Report from Acting Deputy City Manager and Chief Financial Officer, and Deputy City Manager

Recommendations

The Acting Deputy City Manager and Chief Financial Officer and the Deputy City Manager Sue Corke recommend that:

1. Authority be granted:
 - (A) to make the revisions listed below in (B)(i) to (vi) inclusive of Recommendation No. 1 to the existing ground lease (“Ground Lease”) with Evergreen and Toronto And Region Conservation Authority (“TRCA”) for the Project known as “Evergreen at the Brickworks” (“Leased Lands”), at 550 Bayview Avenue; and
 - (B) to make similar revisions to such other Project-related agreements including the existing heritage easement agreement (“Heritage Easement”) for the Leased Lands between TRCA and Evergreen, which, in the opinion of the General

Manager of Economic Development, Culture and Tourism (“General Manager”) in consultation with the Chief Corporate Officer and the Deputy City Manager and Acting Chief Financial Officer (“Acting DCM/CFO”) and TRCA, are also required to be so amended:

- (i) to allow during the period from approximately early December 2008 to March 31, 2009 or such extension thereof not to extend past July 31, 2009 (“Phase One Construction”) for preparatory site preparation and mobilization, building stabilization including drilling of micro-piles or foundation caissons, installation of below-grade site services and infrastructure to existing City infrastructure; grade alterations for storm water management, erosion and sediment control, base courses to support asphalt, concrete and brick paving, and for universal accessibility, on terms and conditions satisfactory to Evergreen, TRCA and the General Manager in consultation with the Chief Corporate Officer;
- (ii) thereafter, to allow Evergreen to substantially complete the rest of its Project construction work as described in Evergreen’s June 9, 2008 Site Plan Application submission as approved by TRCA in final form and in accordance with the Heritage Easement and Ground Lease by no later than December 31, 2010 (“Phase Two Construction”) unless the same be further extended as set out in the Ground Lease;
- (iii) to amend and confirm that the description of and any reference to the “Leased Lands” in the Ground Lease and related Project documentation shall henceforth include those sub-surface strata and ground-water portions of the Leased Lands which Evergreen, TRCA and the General Manager in consultation with the Chief Corporate Officer, agree in writing are necessary or desirable to effectively implement, support, maintain, repair, replace or otherwise be used, for the work described in Recommendation No. 1(a) above, as well as all adjacent trench excavation areas disturbed or used in connection therewith;
- (iv) by substituting a proposed maximum cost of Thirty Seven Million Eight Hundred Thousand (\$37,800,000.00) Dollars (Inclusive of GST and other applicable taxes) for any references to the previously approved Forty-Two Million (\$42,000,000.00) Dollars in any agreement(s) between the City, TRCA, Evergreen and Evergreen’s design build guaranteed price contractor;
- (v) by substituting a sum equal to Thirty One Million Five Hundred Thousand (\$31,500,000.00) Dollars (inclusive of GST and other applicable taxes) of Capital Improvement Construction Costs for the Project plus a 20% contingency thereof in the amount of Six Million and Three Hundred Thousand (\$6,300,000.00) Dollars (collectively, Thirty Seven Million Eight Hundred Thousand (\$37,800,000.00)) Dollars for any references to the previously proposed amounts of Thirty-Five Million (\$35,000,000.00) Dollars and Seven Million (\$7,000,000.00)

Dollars respectively; and

- (vi) by extending the relevant time periods for fulfilling the pre-conditions and other requirements in the Ground Lease and related Project documentation relating to the commencement of the Ground Lease and to Project construction (other than the Substantial Completion Date) to allow for Phase One and Phase Two Construction and such other revisions as described above, from the dates currently described in the Ground Lease to such date(s) not to exceed December 31, 2010 as are considered satisfactory to the Chief Corporate Officer in consultation with the Acting DCM/CFO and the General Manager.
2. Council confirm that its earlier authorizations for the City to enter into financing related agreements with Evergreen and its institutional or private Project lenders and TRCA to facilitate construction of the Project on the Leased Lands shall be deemed to have also been so amended to include the revisions listed in (B)(i) to (B)(vi) inclusive of Recommendation No.1.
 3. Authority be granted for the City to enter into:
 - (i) an amending agreement with TRCA and Evergreen, and Ontario Heritage Trust and The W. Garfield Weston Foundation, as required; and
 - (ii) the financing and other Project-related agreements with Evergreen and its lenders and TRCA,

which, in the opinion of the General Manager in consultation with the DCM/CFO and Chief Corporate Officer, are appropriate, to implement the revisions described in Recommendations Nos. 1 and 2, subject to such further revisions and other terms and conditions as may be satisfactory to the General Manager in consultation with the Acting DCM/CFO and the Chief Corporate Officer, all in form satisfactory to the City Solicitor.
 4. Authority be granted to enter into a new lease with Evergreen (“Parking Lot Lease”) for a portion of the City-owned road allowance proximate to the Project shown as Part 1 on Sketch PS-2008-135 attached as Appendix 1 to this report, in order to permit use thereof by Evergreen for parking and access purposes for the Project, based on terms of a net lease to the City for nominal consideration, having a term co-terminus with the Canadian Pacific Railway lease with Evergreen of adjacent lands but with an expiration date not later than the expiration of the Ground Lease and with a cross-default clause to the Ground Lease at the discretion of the Chief Corporate Officer, and subject to such other lease terms and conditions, as may be satisfactory to the Chief Corporate Officer and in a form satisfactory to the City Solicitor.
 5. The Chief Corporate Officer be authorized to administer and manage the Parking Lot Lease, including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (Including their content) to City Council for its determination and direction.

Summary

To obtain authority to enter into an amending agreement with Toronto And Region Conservation Authority and Evergreen to amend the Ground Lease for the Project known as “Evergreen at the Brickworks”, 550 Bayview Avenue (the “Project”) to facilitate Project construction in Two Phases. In addition, authority is sought for a net lease with Evergreen and the City for nominal consideration of a portion of the City-owned road allowance adjacent to the north-easterly limit of the Canadian Pacific Railway Lands abutting the Project.

Financial Impact

There are no requirements for additional funding associated with this report.

The total project cost as previously reported to Council in July 2007, was \$42 million, including a 20% construction contingency allowance.

As Evergreen’s construction plans have progressed to a more detailed level, the current costs for the Project have been revised downward to \$37.8 million, including the aforementioned 20% construction contingency allowance.

Consequently, there is a reduced financial impact on the project as a result of the construction cost estimate reduction. Evergreen has advised the City that there has been no change in scope of the Project, nor to the required amounts of \$18.4 million of Interim Financing or the \$7.5 million (inclusive of all interest, costs and charges) City/TRCA Joint and Several Loan Guarantee, as previously adopted by Council and incorporated in the Lease.

Background Information

Report - Don Valley Brick Works - Ground Lease Amendments and New Parking Lot Lease - Part of 550 Bayview Avenue

<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17415.pdf>

Appendix 1 - Sketch Ps-2008-135

<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-17416.pdf>