

**Economic Development and Culture:  
Capital Plan Adjustment – Fort York Visitor Centre**

<b>Date:</b>	July 29, 2010
<b>To:</b>	Budget Committee
<b>From:</b>	General Manager, Economic Development and Culture
<b>Wards:</b>	All
<b>Reference Number:</b>	

**SUMMARY**

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The purpose of this report is to request Council authority to increase the Economic Development and Culture Division's (ED&C) 2010-2019 Capital Plan by \$4.085 million gross and zero net with funding from additional donations and Section 37 agreements. The adjustment will not increase City debt funding and will align the capital budget with the cost of the design and construction of the Fort York Visitor Centre. In addition, the project's scheduling requires early tendering of site servicing works in order to expedite the construction of the building in 2011 and the completion of the building for the Bicentennial of the War of 1812 in June 2012 and the report requests Council authority to commence tendering for this advance work.

**RECOMMENDATIONS**

**The General Manager of Economic Development and Culture recommends that:**

1. City Council approve an increase to the Economic Development and Culture 2010-2019 Capital Plan for the Fort York Visitor Centre of \$4.085 million gross and zero net, funded by offsetting increases in third party donations and Section 37 contributions as outlined in Attachment No. 1;
2. The General Manager of Economic Development and Culture be authorized to issue tenders, through the Bid Committee, and award contracts for site preparation work for the Fort York Visitor Centre in the fall of 2010 in order to expedite the construction

of the building in 2011 and the completion of the building for the Bicentennial of the War of 1812 in June 2012;

3. City Agencies, Boards, Commissions and Divisions with jurisdiction over or interest in lands adjacent to the lands required for the construction of the Fort York Visitor Centre be requested to fully cooperate in order to expedite completion of the building for the Bicentennial; and
4. the City Manager request the Province of Ontario to expedite their contribution to the Fort York Visitor Centre.

## FINANCIAL IMPACT

The Economic Development and Culture 2010-2019 Approved Capital Plan includes funding for the Fort York Visitor Centre of \$18.928 million gross and \$3.313 million net. At the time of submission, the winning design for the building had not been selected and the exact location had not been determined. Now that the design and location of the building have been determined a more precise costing is possible. An increase of \$4.085 million in Project Cost is recommended resulting in total project cost of \$23.013 million gross and \$3.313 million net. Increased project cost is to be funded by increased donations from the Fort York Foundation and additional Section 37 contributions.

Table 1: Fort York Visitor Center 2010-2012 Summary of Changes  
(\$000)

	10 Year Capital Budget and Plan		
	Approved Plan	Proposed Changes	Adjusted Plan
<b>Expenditure</b>			
Contracted Services-Construction	18,928.00	4,085.00	23,013.00
<b>Total Gross Expenditures</b>	<b>18,928.00</b>		<b>23,013.00</b>
<b>Financed By</b>			
Province	6,100.00	(1,100.00)	5,000.00
Federal	6,380.00	(1,380.00)	5,000.00
Section 37 Contributions - Other 1	1,200.00	2,500.00	3,700.00
Fundraising - Other 2	1,935.00	4,065.00	6,000.00
Debt	3,313.00	0.00	3,313.00
<b>Total Financing Sources</b>	<b>18,928.00</b>	<b>4,085.00</b>	<b>23,013.00</b>

Project funding of \$5.0 Million from the Federal Government has been confirmed and funds are flowing to support the preliminary phase of the project. \$5.0 million funding from the Provincial Government has been requested but not committed to date.. Section 37 funding of \$2.5 million has been identified with City Planning. The Fort York Foundation has set their fundraising target at \$6 million, with \$2-3 million to be secured

this year. The detailed yearly cash flow and sources of funding for the revised project are included in Attachment No. 1.

The General Manager of Economic Development and Culture will proceed with tendering and award the contracts for site preparation this fall, as funds are currently available for those phases of the project. Once budgeted third party funds are received by the City, he will proceed with the tendering and awarding of the construction contract as soon as possible in 2011.

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

## **ISSUE BACKGROUND**

Fort York Visitor Centre:

The construction of the Fort York Visitor Centre presents a unique opportunity to reposition the city's most important historic site within its historic and contemporary context. Although the idea of constructing a Visitor Centre has been discussed for almost twenty years, the upcoming Bicentennial of the War of 1812 presents an opportunity to have the facility ready to increase visitation for the years 2012-15.

At approximately 22,000 square feet in size, the Visitor Centre will be a central point of connection and exchange. Carefully designed and sited to complement the Fort's historic elements, it will provide the venue through which content-rich interpretive programs can be delivered more effectively. The Visitor Centre will include multimedia presentations; dramatic displays of iconic objects and exceptional artifacts; curriculum-based school programming plus upgraded capacity for retail sales and food service.

Key Objectives:

The Fort York Visitor Centre is designed to provide a major new physical presence to capture the attention of residents and visitors that there is something new at Fort York. The Visitor Centre will orient visitors through the presentation of an audio-visual program and through other media (showing visitors on how best to interpret what they will see on site). It will also provide visitors with a better facility equipped with washrooms, gift shop, food service, multi-purpose space and other services to enhance the visitor experience; expanded public programming by providing enhanced facilities and by liberating the Fort from constraints imposed by the weather.

Approach to Exhibit Design:

The orientation materials and exhibits in the Fort York Visitor Centre are intended to attract, inform, engage and appeal to diverse audiences. The intent is to place the Fort and the Battle of York in wider geographical and temporal contexts. For example, the immersive portal will serve as a time tunnel that explores the changing relationship between the Fort, the city and its people over the past 200 years. The first temporary exhibit will not only examine the impact of the War of 1812 on Toronto's citizens and soldiers, but draw modern comparisons using the stories of recent Toronto immigrants

who have experienced conflict elsewhere. Lobby materials will relate the Fort's history to national, continental and global conflicts. Exhibits will feature a contemporary design that includes audio-visual and interactive components.

The winning design for the Fort York Visitor Centre by Patkau Architects Inc. with Kearns Mancini, has generated a great deal of positive reaction and will be a major addition to the cultural landscape of Toronto.

## **COMMENTS**

### **Capital Plan Adjustment:**

At the time of the 2010 Economic Development and Culture capital submission the exact design and location of the Fort York Visitor Centre were not yet known. The 2010-2019 Approved Capital Plan included a total project cost of \$18.928 million gross and \$3.313 million net which was the best estimate available at the time. Staff anticipated that some adjustments to the Capital Plan may be required once the design competition was complete.

The Fort York Visitor Centre design has been selected and the schematic design phase of the project has been completed. Now that the design and location of the building have been determined a more precise costing is possible. The scope of the project has not changed but the revised budget accounts for site servicing to the location adjacent to the Gardiner Expressway. An increase of \$4.085 million in project cost is recommended resulting in total project cost of \$23.013 million gross and \$3.313 million net. The increase in project cost will not increase City debt funding.

Funding from the Federal Government, reduced by \$1.1 million, has been confirmed at \$5.0 and funds have begun to flow to support the planning phases of the project. The Provincial Government funding request, reduced by \$1.380 million to \$5.0 million (to match Federal funds) has not been committed to date.

Section 37 funding, increased by \$2.5 million to \$3.7 million has been identified with City Planning. The Fort York Foundation has increased their fundraising target by \$4.065 million to \$6 million with \$2-3 million still to be secured this year. The detailed cash flow and sources of funding for the revised project are included in Attachment No. 1.

### **Project Schedule:**

The Fort York Visitor Centre is planned to open in time for the Bicentennial of the War of 1812 that begins in June 2012. The project schedule has been set up to meet this target date but there is no allowance for delays in construction which must commence in the spring of 2011. The General Manager of Economic Development and Culture is seeking Council authority to begin site preparation work in the fall of 2010 prior to receipt of all 3<sup>rd</sup> party funding by the City. Given the tight timeline for the construction of the Fort York Visitor Centre, the General Manager is seeking full cooperation from all City Agencies, Boards, Commissions and Divisions with an interest in the site. This report

also directs the City Manager to request that the Province of Ontario expedite their expected contribution to the project to allow for completion by June 2012.

## **CONTACT**

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## **SIGNATURE**

Michael H. Williams, General Manager  
Economic Development and Culture

## **ATTACHMENTS**

Attachment No. 1: Economic Development and Culture Capital Plan Adjustment  
Attachment No. 2: 2011 – 2019 Capital Plan Adjustments

**Attachment No. 1**  
**Fort York Visitor Center 2010-2019 Summary (in thousands)**  
**(Per 2011 Budget Adjustment Request)**

Expenditure	2010			2011			2012			Total 10 Yr. Plan		
	2010 Approved Plan	Proposed Changes	2010 Adjusted Plan	2011 Approved Plan	Proposed Changes	2011 Adjusted Plan	2012 Approved Plan	Proposed Changes	2012 Adjusted Plan	Approved Plan	Proposed Changes	Adjusted Plan
Contracted Services-Construction	5,969.00	0.00	5,969.00	8,725.00	(5.00)	8,720.00	4,234.00	4,090.00	8,324.00	18,928.00	4,085.00	23,013.00
<b>Total Gross Expenditures</b>	<b>5,969.00</b>		<b>5,969.00</b>	<b>8,725.00</b>		<b>8,720.00</b>	<b>4,234.00</b>		<b>8,324.00</b>	<b>18,928.00</b>		<b>23,013.00</b>
<b>Financed By</b>												
Province	1,850.00	0.00	1,850.00	4,250.00	(2,250.00)	2,000.00		1,150.00	1150	6,100.00	(1,100.00)	5,000.00
Federal	3,180.00	0.00	3,180.00	3,200.00	(2,200.00)	1,000.00		820.00	820	6,380.00	(1,380.00)	5,000.00
Section 37 Contributions - Other 1					2,000.00	2,000.00	1,200.00	500.00	1,700.00	1,200.00	2,500.00	3,700.00
Fundraising - Other 2				555	2,445.00	3,000.00	1,380.00	1,620.00	3,000.00	1,935.00	4,065.00	6,000.00
Debt	939	0	939.00	720	0.00	720.00	1,654.00	0.00	1,654.00	3,313.00	0.00	3,313.00
<b>Total Financing Sources</b>	<b>5,969.00</b>	<b>0.00</b>	<b>5,969.00</b>	<b>8,725.00</b>	<b>(5.00)</b>	<b>8,720.00</b>	<b>4,234.00</b>	<b>4,090.00</b>	<b>8,324.00</b>	<b>18,928.00</b>	<b>4,085.00</b>	<b>23,013.00</b>

**Attachment No. 2**  
**Economic Development and Culture**  
**2011-2019 Capital Plan Adjustments**  
(\$ Million)

CAPTOR #	SAP #	Sub-project Description	Project Cost	2010		2011		2012		Total		Reasons for Change
				Gross Expenditure	Debt Funding	Gross Expenditure	Debt Funding	Gross Expenditure	Debt Funding	Gross Expenditure	Debt Funding	
Economic Development and Culture. The adjustments to the 2011-2019 capital plan are required to revise project cost and funding sources for the new Fort York Visitor Centre.												
ACH000011	CAC071	Fort York Visitor's Centre	4.085	0.000	0.000	(0.005)	0.000	4.090	0.000	4.085	0.000	The adjustments are required to revise project cost and funding.