

**John Street Roundhouse
222 Bremner Boulevard (Downtown)**

(City Council at its regular meeting held on October 3, 4 and 5, 2000, and its Special Meetings held on October 6, 2000, October 10 and 11, 2000, and October 12, 2000, amended this Clause by adding thereto the following:

“It is further recommended that:

- (a) the confidential report dated October 2, 2000, from the Commissioner of Economic Development, Culture and Tourism, embodying the following recommendations, be adopted, the balance of such report to remain confidential, in accordance with the provisions of the Municipal Act, having regard that it contains information related to the security of property interests of the municipality:*

‘It is recommended that:

- (1) the City of Toronto proceed with the Roundhouse RFP as outlined in the September 5, 2000 report from the Commissioner of Economic Development, Culture and Tourism to the Economic Development and Parks Committee;*
 - (2) the Commissioner of Works and Emergency Services and the Commissioner of Urban Development Services continue to work with Enwave to meet its infrastructure requirements; and*
 - (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.’;*
- (b) the Commissioner of Economic Development, Culture and Tourism be requested to submit a report to the first meeting of the Economic Development and Parks Committee to be held in the new term of Council in 2001 on:*
- (1) the results of the Request for Proposals;*
 - (2) potential governance structures for the rail museum;*
 - (3) what measures can be undertaken to implement the rail museum as soon as possible;*
 - (4) the allocation of the funds received from Marathon Realty as part of the previous sale of the rail spur; and*
 - (5) the outstanding audit of the railway items of historical value; and*

- (c) *the Chief Administrative Officer be requested to submit a report directly to this meeting of City Council on a strategy for responding to Enwave's requirements for additional cooling space."*)

The Economic Development and Parks Committee received the report (September 5, 2000) from the Commissioner of Economic Development, Culture and Tourism; and directed that it be forwarded to City Council for information.

The Economic Development and Parks Committee reports, for the information of Council, having requested the Commissioner of Economic Development, Culture and Tourism, in consultation with the Commissioner of Urban Development Services and the Commissioner of Works and Emergency Services, to report directly to Council for its meeting of October 3, 2000, on the advantages and disadvantages of proceeding with the Request for Proposal at this time in light of the information regarding questions and issues raised by Enwave concerning the Deep Water Cooling project and corollary City interest.

The Economic Development and Parks Committee submits the report (September 5, 2000) from the Commissioner of Economic Development, Culture and Tourism:

Purpose:

The purpose of this report is to advise Council of the results of the City's Request for Expressions of Interest (REI) for the restoration, development and operation of the John Street Roundhouse and to inform Council that a Request for Proposals (RFP) will be issued to a short list of proponents. The report also provides information on issues raised by the CHP Heritage Centre at the meeting of the Administration Committee on June 15, 1999.

Financial Implications and Impact Statement :

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

Recommendation:

It is recommended that this report be received for information.

Background :

For almost two decades the City of Toronto has been trying to preserve the history of the railway lands. The City has been focused on the Roundhouse as one of the best remaining examples of industrial architecture from the era of big steam. It had been a repeated objective of the former City of Toronto that "future uses of the Roundhouse include an operating railway museum at no cost to the City". At its meeting of August 12 and 13, 1999, Toronto City Council adopted the definition of the term "operating railway museum" to be:

"an active museum occupying a significant portion of the Roundhouse building, the major component of which is the regular movement of locomotives and

rolling stock into and out of the Roundhouse by means of a fully operational turntable.”

The property at 222 Bremner Boulevard - the John Street Roundhouse and its associated heritage structures - was designated by City Council under Part IV of the Ontario Heritage Act (By-law No. 385-96) in 1996 and most of the major structures have been listed on the City of Toronto's Inventory of Heritage Properties since 1985. The federal Historic Sites and Monuments Board designated the John Street Roundhouse a National Historical Site in 1990.

At its meeting held on July 6, 7 and 8, 1999, Council directed the Commissioner of Economic Development, Culture and Tourism and other appropriate staff to conduct a comprehensive business assessment of the Roundhouse, including a full review and report on all funds required and available funding opportunities (Administration Committee Clause No. 1 of Report No. 1).

At the same meeting, Council directed the Commissioner of Corporate Services to report on the issues raised by Miss Jane Beecroft, Chair, CHP Heritage Centre, at the meeting of the Administration Committee on June 15, 1999, regarding the proposal respecting Bays 12 – 32 and referring the communication (June 11, 1999) from Miss Beecroft to the Acting Commissioner of Corporate Services. This communication raised the following issues:

- (a) concern regarding the missing artifacts and equipment belonging to or brought to the Roundhouse;
- (b) concern that proceeds from the sale of City owned CN Tower lands were not reserved for the Roundhouse; and
- (c) stating that without the full involvement of the heritage community, the John Street Roundhouse cannot succeed.

While the Commissioner of Corporate Services is responsible for the physical property at the present time, including security, EDCT is responsible for developing a long-term plan for the facility. For the convenience of providing co-ordinated information relative to the above items, this report, which has been prepared in consultation with the Commissioner of Corporate Services, addresses the aforementioned issues.

Comments:

- (1) Results of the Roundhouse REI:

On June 9, 2000, the City issued a nationally advertised call requesting expressions of interest (REI) from potential private sector partners interested in restoring, developing and operating the John Street Roundhouse (No. 9155-00-7181). The REI was structured, firstly, to explore ways to facilitate a museum at no cost to the City and to determine whether there was sufficient interest in the site to warrant a formal “Request for Proposals”. Secondly, if there was sufficient interest, whether it could be determined what commercially viable uses the Roundhouse could be put to in order to generate

revenues to underwrite a museum and if so, how much revenue (after restoring the building) would be available to underwrite that museum. The REI submission deadline was July 17, 2000.

At the time of closing, five submissions were received. Four of the submissions were considered to substantially conform to the submission requirements. One submission was considered incomplete.

The four qualifying proponents were invited to interviews to discuss their submissions. Three of the qualifying proponents made provisions, to varying degrees, for a rail heritage museum. The fourth alluded to a strategy for potentially securing a museum at a later date. All four proponents were considered to have the financial capacity to qualify for the next phase of the City's process and, therefore, have been invited to prepare detailed proposals for the City's consideration early in the new year.

The following proponents submitted their interest in developing the site:

- (i) Enwave District Energy Ltd./Talisker Properties;
- (ii) Invacon/ Leisure Resorts;
- (iii) Roundhouse Event Centre Consortium; and
- (iv) Tenen Developing and Producing Ltd./Olympia and York Enterprise.

It appears from the responses to the REI that all four proponents are proposing to restore the base Roundhouse building and put the necessary improvements into the turntable, Cabin D, etc. that currently await restoration.

- (2) Concerns previously expressed to Council by the CHP Heritage Centre:

The following information is provided in response to the issues raised in the June 11, 1999 communication from the CHP Heritage Centre:

- (a) With respect to the inventory of artifacts and equipment, the Culture Division commissioned an independent inventory which was appended to the REI for information. While it would appear that in a small number of instances this list does not reconcile with previous inventories, it is difficult to ascertain how much material has actually disappeared. The most recent inventory conducted by Historica Research Limited on the City's behalf concludes that of the artifacts that seem to be missing there is really only one distinctive piece of equipment associated with locomotive operation and that is a sand dryer. The most important outcome of the recent inventory is that it identified valuable printed material that is not fully secure and is not being stored properly.

Arrangements are being made to clean, pack and move these materials into the City Archives until such time as they may be useful to a rail heritage museum at

the Roundhouse. The Department is also investigating with Corporate Services the need for additional perimeter security of the building as an interim measure. The responsibility for implementing any such measures remains with Corporate Services.

- (b) With respect to the revenue issue, the only item that we are aware of was the former City of Toronto sale of its long-term leasehold interest in CN Tower park lands. The following is a summary of the status of those funds.

Under the terms of the Master Agreement that was executed between the City, CN Tower Ltd. and Canada Lands Company Ltd., the City received \$5 million, plus a \$112,500.00 extension fee for the surrender of its interest in Tower Park west and east lands and Part 44 lands. The Master Agreement also provided that the City receive the interest on the initial \$500,000.00 deposit on the \$5 million. The Master agreement was authorized by Council (ECR No. 28, item 36) at its meeting on August 12 and 13, 1996 and (ECR No. 28, item 9) October 7 and 8, 1996.

City Council at its meeting on August 21, 1997 (Minute 21.74) adopted, among other matters, the following:

“Direct that the financial settlement funds that the City is to receive, associated with the loss of Tower Park West and Tower Park East, as contained in the business arrangements for the CN Tower expansion, be used to finance Phase 2 of the Roundhouse Park and other enhancements to Roundhouse Park as deemed necessary by staff, upon receipt of these funds.”

These funds remain available for the appropriate evolution of Roundhouse Park.

- (c) With respect to the involvement of the heritage community, it is the Department’s intention to engage the heritage community at the appropriate time in specific issues regarding the various heritage structures and the museum.

Contact Name :

Ms. Rita Davies, Managing Director of Culture, Tel: 397-5323, Fax: 395-0278,
rdavies@city.toronto.on.ca.

The Economic Development and Parks Committee also had before it during consideration of the foregoing matter the following communications, and copies thereof are on file in the office of the City Clerk:

- (a) (September 13, 2000) from Mr. Donald Lister, Toronto, Ontario, expressing his thoughts and concerns regarding the report from the Commissioner of Economic Development, Culture and Tourism on the former Canadian Pacific John Street Roundhouse; and

- (b) (September 14, 2000) from Mr. Raymond Kennedy, Old Time Trains, in opposition to having further commercial tenants within the Roundhouse and suggesting that a Board of Management be established to give jurisdiction over the entire site.

The following persons appeared before the Economic Development and Parks Committee in connection to the foregoing matter:

- Ms. Jane Beecroft, Toronto, Ontario, and filed a copy of her submission; and
- Mr. Dennis Fotinos, Toronto District Heating Corporation.

(City Council at its regular meeting held on October 3, 4 and 5, 2000, and its Special Meetings held on October 6, 2000, October 10 and 11, 2000, and October 12, 2000, had before it, during consideration of the foregoing Clause, a confidential report (October 2, 2000) from the Commissioner of Economic Development, Culture and Tourism, such report to remain confidential in accordance with the provisions of the Municipal Act, given that it concerns matters of the security of a property interest of the municipality, save and except the following recommendations embodied therein:

Recommendations:

It is recommended that:

- (1) the City of Toronto proceed with the Roundhouse RFP as outlined in the September 5, 2000 report from the Commissioner of Economic Development, Culture and Tourism to Economic Development and Parks Committee;*
- (2) the Commissioner of Works and Emergency Services and the Commissioner of Urban Development Services continue to work with Enwave to meet its infrastructure requirements; and*
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.)*