



REPORT FOR ACTION

Deaccessioning and Transfer of the City of Toronto's Lancaster Bomber

Date: March 16, 2018

To: Economic Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

The purpose of this report is to recommend that the City of Toronto's Lancaster bomber be deaccessioned from the Historical Collection and transferred, with conditions, to the British Columbia Aviation Museum in Sidney, BC.

Council's approval is necessary because the value of the artifact exceeds the delegated signing authority of the General Manager, Economic Development and Culture.

RECOMMENDATIONS

The General Manager, Economic Development and Culture, recommends that:

1. City Council approve the deaccessioning of the City of Toronto's Lancaster bomber FM104 from the Historical Collection.
2. City Council approve the transfer of Lancaster bomber FM104 to the British Columbia Aviation Museum for continued restoration and public display, on condition that should the Aviation Museum decide to deaccession the Lancaster, it shall keep FM104 in the public domain by offering it by donation to the City of Toronto in the first instance, then to an appropriate Canadian museum.
3. Should negotiations to transfer the Lancaster bomber to the British Columbia Aviation Museum fail, City Council approve the transfer of FM104 to the Edenvale Aviation Heritage Foundation for continued restoration and display, on condition that should the Foundation decide to deaccession the Lancaster, it shall keep FM104 in the public domain by offering it by donation to the City of Toronto in the first instance, then to an appropriate Canadian museum.

FINANCIAL IMPACT

Because of a lack of capacity to store the Lancaster bomber on City property, the City is presently incurring annual storage costs of about \$25,000.00. These costs will be eliminated if Council adopts the recommendations in this report. The City does not have a budget for restoring objects like the Lancaster. All costs associated with the transfer and restoration of the Lancaster will be borne by the British Columbia Aviation Museum.

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

DECISION HISTORY

Toronto City Council loaned Lancaster bomber FM104 to the Toronto Aerospace Museum (later known as the Canadian Air and Space Museum or CASM) through decisions made in 1998 and 1999. Council approved a loan renewal with CASM in 2011.

<https://www.toronto.ca/legdocs/1998/minutes/council/appa/cc981216/ed7rpt.htm>
<https://www.toronto.ca/legdocs/1999/minutes/council/appa/cc990928/pof7rpt.htm>
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.ED3.1>

Council has given the General Manager, Economic Development and Culture the authority to sign culture matters (including deaccessioning and disposal of objects in the Historical Collection) in which the net value of the contract or object does not exceed \$100,000.00. As the Lancaster bomber's most recent appraised value for insurance purposes is \$225,000.00, Council's approval to deaccession and transfer FM104 is required.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.ED3.1>

Council has established a process for deaccessioning objects from the Historical Collection in its Policies for City of Toronto Museum Collections.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED27.6>

COMMENTS

Construction of FM104 and its Use by the Royal Canadian Air Force:

First flown in 1941, the British-designed Avro Lancaster was one of the most famous Allied bombers of the Second World War. Many Canadian airmen and ground crew served overseas with Royal Air Force and Royal Canadian Air Force (RCAF) Lancaster squadrons. Lancasters also figured prominently on the Canadian home front. Of the

7,377 Lancasters produced during the war, 430 were built by Victory Aircraft Ltd. in Malton, ON.

Lancaster Mark X bomber FM104 was built in Malton in 1944. The aircraft was shipped to England early in 1945 for use by the RCAF, but did not see active service in Europe. FM104 returned to Canada in 1945 with a view to being used as a bomber in the Pacific theatre. The Second World War ended before this could occur.

After the war, the RCAF used FM104 for maritime patrol and search-and-rescue functions. FM104 had its equipment modified and was given new livery and a new aircraft call sign (CX-104). Based out of Nova Scotia and then two locations in Newfoundland, this Lancaster remained in service until 1964.

Retirement of FM104 and its Display at Coronation Park:

In 1964, the RCAF flew four aircraft (including FM104) to RCAF Station Downsview in Toronto to participate in the Lancaster retirement ceremony. Afterwards, FM104 was purchased by the RCAF Association. The aircraft was donated to the City, temporarily displayed at Exhibition Park (1964), then moved to Coronation Park, where it was mounted on a plinth (1965). The aircraft was repainted in its wartime camouflage colours and displayed with a tank, a howitzer, and two anti-aircraft guns from the Second World War and Cold War eras.

Conditions at Coronation Park adversely impacted FM104. The plinth mounting technique undermined the aircraft's structural integrity and caused corrosion. Exposure to lakefront weather, bird infestations, and ongoing vandalism also threatened FM104's long-term survival.

Several factors prompted the City to remove FM104 and the other large military objects from Coronation Park. The original intention of placing these objects in the park - to create a museum, rather than a memorial - had not been achieved. All objects were deteriorating with insufficient funding available for their conservation. As well, the objects were on the site of a proposed shaft for the Western Beaches Storage Tunnel project.

As a result, Council authorized the Toronto Historical Board in 1997 to lead a process to transfer FM104 and the other military objects in Coronation Park to appropriate Canadian museums. The staff recommendations were based on the principles of protecting the public interest in these objects and of maximizing the public benefit inherent in them by:

- 1) keeping them in the public domain;
- 2) placing them where they could be conserved professionally and maintained well; and
- 3) placing them in settings where they would be interpreted effectively within a broader historical and cultural framework.

The transfer of most of the military objects in Coronation Park, including FM104, was approved by Council in 1998. All of the transferred objects were donated outright to Canadian museums except FM104, which was loaned to the newly established Toronto

Aerospace Museum (TAM). The loan was intended to be a trial for TAM's eventual ownership of the Lancaster, likely through donation by the City, once TAM had become "fully established and successful."

TAM and the Beginning of FM104's Restoration:

After Council approved the terms of the loan agreement in 1999, FM104 was dismantled and moved to TAM's premises at Downsview Park. TAM (later operating as the Canadian Air and Space Museum [CASM] and now known as Toronto Aerospace International) was to house and display the Lancaster indoors. CASM was permitted to restore FM104 according to a restoration plan approved by City staff. Ownership of any items permanently added to, removed from, or altered in FM104 during the restoration would vest in and/or remain with the City.

The aim of CASM's restoration project was to achieve FM104's wartime (1945) configuration. Supported by an Ontario Trillium Foundation grant, work was carried out by CASM volunteers and inspected periodically by City staff. By early 2011, CASM had implemented about 30% of the restoration plan; the goal was to achieve primary completion by 2022. The aircraft consisted of 90% original (FM104) material, 7% period (other Lancaster) material, and 3% new material.

The terms of the loan agreement did not require the City to financially support FM104's restoration or CASM's other operations. Council did, however, write off the property taxes and interest that had accrued against the premises occupied by CASM for the period from March 1, 1997 to December 31, 2009 and exempted CASM from paying property taxes at Downsview Park (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.GM29.3>).

CASM's Eviction from Downsview Park and the City's Take-back of FM104:

Council approved the renewal of the FM104 loan in 2011. Before City staff could complete the loan agreement negotiations, CASM was served with a notice of eviction by Parc Downsview Park, Inc., a subsidiary of Canada Lands Company Ltd. After running operating deficits for several years, CASM had fallen behind in its rent payments, and the landlord had identified other development opportunities for CASM's premises. Council adopted a motion asking the federal government to grant CASM a long-term reprieve and provide assurances for CASM's preservation on the Downsview Lands (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.MM11.18>), but to no avail. CASM left Downsview Park in 2012, placing its collection in storage.

From 2012 to 2017, CASM arranged for FM104 to be stored in two locations at and near Toronto Pearson Airport at no cost to CASM. No restoration work was undertaken during this period. As the terms of the original agreement were not being fulfilled, the City Solicitor advised Museums & Heritage Services staff to not execute the loan renewal. FM104 remained in CASM's care, on the assumption that CASM would eventually restart full operations. This had not transpired by the time that a private operator asked CASM to vacate the storage location holding FM104's main assemblies in 2017.

With the Lancaster at risk, and with the cooperation and assistance of CASM and the private operator storing the Lancaster, City staff packed and moved FM104 to a private aerodrome near Stayner, ON. This was a substantial undertaking. No facility could be identified within the Greater Toronto Area with sufficient headroom and storage space clearances to hold the Lancaster. A mover with highly specialized skills in moving very large objects was also required. During the packing process, City staff worked closely with CASM staff and volunteers to separate FM104 material from other Lancaster parts owned by CASM. The City asked CASM to donate its Lancaster material to facilitate the continued restoration of FM104. This request was denied, leaving all non-FM104 material in CASM's possession.

The Search for a New Permanent Home for FM104:

FM104 is a rare and significant object. Only 17 complete Lancasters now exist in the world. Eight are located in Canada: four in Ontario; two in Alberta; and one in Nova Scotia. FM104 is also a large and unusual object. Once the Lancaster's wings, tail unit, landing gear, and power plant have been reattached to its fuselage, it will have a footprint of 102 x 70 feet, requiring 7,400 square feet of indoor space with a headroom of at least 21 feet.

These considerations should inform any decision made about FM104. So should the conclusion reached in 1998 when Council first decided to transfer FM104 to CASM: "When an institution is no longer able to care for an artifact, museological ethics suggest that the best solution is to deaccession it and transfer it to a new home where adequate care can be provided." In 2018, this principle remains valid in respect to the City's Lancaster bomber.

Council's policies for museum collections guide the process for deaccessioning (or permanently removing) an accessioned object like FM104 from the City of Toronto's Historical Collection. FM104 meets two of Council's criteria for deaccessioning:

- 1) it does not fall within the City's collecting mandate (as indicated by Council's decision to transfer all of its large military objects out of its care in 1998); and,
- 2) it does not have or is unlikely to obtain adequate resources for its care at museum standards.

Council's preferred method for disposing of (or permanently divesting itself of) deaccessioned objects is "transfer as a donation, exchange for another object, or sale to another museum or public institution whose mission is relevant to the deaccessioned item, who will adequately care for the object, and who can assure public access." Since the transfer of FM104 to another museum will incur significant costs for that institution, donation rather than sale is the recommended transfer approach.

Staff conducted a search process to identify an appropriate institution to house, restore, and exhibit FM104. The assumptions guiding the search process were:

- 1) FM104 would be retained in Canada, given its place of construction and operational use;

- 2) the public interest in FM104 must be protected and the public benefit of FM104 maximized by keeping it in the public domain, placing it where it can be maintained and interpreted well; and,
- 3) FM104 would be best placed with an aviation museum without a Lancaster, given the rarity of the object and to avoid duplication in an institution's collection.

The search process involved five steps:

- 1) identifying all Canadian aviation museums which do not currently possess a Lancaster bomber;
- 2) contacting the above to gauge their interest in acquiring FM104;
- 3) providing interested museums with a questionnaire to collect information about the institution and its plans for FM104, if it were to be transferred;
- 4) where warranted, contacting institutions to clarify their responses;
- 5) evaluating all proposals received according to the following criteria:
 - a) the institution's track record and stability as a public museum;
 - b) the institution's ability to arrange the movement of FM104 to its new home;
 - c) the institution's ability to continue to restore FM104; and,
 - d) the institution's ability to display and interpret FM104 to the public.

Contact with Canadian aviation museums began in June 2017. Proposals were received from the British Columbia Aviation Museum (Victoria International Airport, Sidney, BC), the Edenvale Aviation Heritage Foundation (Edenvale Aerodrome, Stayner, ON), the Canadian Warplane Heritage Museum (Hamilton International Airport, Mount Hope, ON), the Canadian Museum of Flight (Langley Regional Airport, Langley, BC), and the #SaveTheLancasterF104 group (Toronto).

Discussions were held with the Canadian War Museum (Ottawa), the National Air Force Museum of Canada (Trenton, ON), and Centennial College's Centre for Aerospace and Aviation (Toronto), but none of these institutions submitted formal proposals. The Pima Air & Space Museum (Tucson, AZ) also submitted an expression of interest in acquiring FM104.

Evaluation of Proposals and Recommended Transfer Strategy:

The British Columbia Aviation Museum, established in 1985, has obtained a quote for transportation and can move FM104 immediately, if selected for transfer. The Museum has a long-term lease on airport land. It is a volunteer-driven organization with a small operating budget, but has commitments from Victoria Air Maintenance and RCAF 443 Squadron to assist with restoring FM104 to an airworthy standard. The aim is to interpret FM104 as a post-war maritime patrol and rescue aircraft, as Lancasters were used in BC (and as FM104 served on Canada's east coast). Stored and displayed indoors, FM104 would be the only Lancaster in BC. All documentation requested by the City was provided by the Museum. Staff view this as the strongest proposal received.

The Edenvale Aviation Heritage Foundation, established in 2017, plans to use hangar space and facilities provided by the Edenvale Aerodrome, which would also contribute seed funding toward the restoration and display project. The aim is to complete the restoration work by 2024, with the aircraft displayed outdoors during the summer. The

Foundation does not have a collection, membership, or experience as an operating museum; its chief advantage is a close relationship with the Aerodrome, which has previously mobilized volunteers to restore a military aircraft and where FM104 is currently being stored. All documentation requested by the City was provided by the Museum. Staff view this proposal as having merit.

The Canadian Warplane Heritage Museum, established in 1972, has obtained a quote for transportation and can move FM104 immediately, if selected for transfer. The Museum owns its buildings and occupies airport land under a long-term lease; it also has a large operating budget with full-time staff and considerable volunteer support. The Museum already has a Lancaster (FM213), one of two airworthy examples in the world. The aim is to restore and display some sections of FM104, while using the rest to support the flying status of FM213, which is interpreted in its wartime configuration. All documentation requested by the City was provided by the Museum. Staff cannot support this proposal as it will have an adverse impact on the integrity of FM104.

The Canadian Museum of Flight, established in 1977, assumes that the RCAF will donate resources to move FM104 to Langley, BC; otherwise, the Museum will pay storage costs at Edenvale and then raise funds for the movement. A number of potential partners were identified to assist with restoration, but no dedicated space to undertake the work yet exists. A new indoor display space is planned which might recreate a Second World War bombing mission, with FM104 as the centrepiece. Insufficient documentation was provided by the Museum. Staff do not view this as a strong proposal.

The #SaveLancasterFM104 group, formed in 2017, proposes that the City retain ownership of FM104 and move the aircraft to a vacant City of Toronto building where restoration would be undertaken. If suitable vacant indoor City property existed, FM104 would not have been moved to the Edenvale Aerodrome. Under the group's proposal, the City would incur substantial moving and storage costs which cannot be accommodated within the 2018 Operating Budget. The group is not a formally established museum, foundation, or not-for-profit organization and has not demonstrated any financial capacity to undertake a restoration project or independently display FM104 to the public in the foreseeable future. Staff do not view this as a viable proposal.

Conclusion:

The recommendations in this report offer a permanent solution to Council's 1998 decision to transfer its large military objects - including Lancaster bomber FM104 - out of City ownership. Transferring FM104 to the British Columbia Aviation Museum by donation should assure the aircraft's long-term preservation and yield substantial public benefits through a novel approach to restoring and interpreting the Lancaster.

With only 17 complete Lancasters remaining, FM104 represents a very scarce resource worth preserving and honouring. The restoration effort applied to FM104 over the past 20 years should be valued and continued.

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