

## City Council

### Notice of Motion

MM47.59	ACTION			Ward: 11
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### **Re-opening and Amending Item EC26.6 - Contribution of Funds to Support Improvements at 756 Bathurst Street - by Councillor Mike Layton, seconded by Councillor Joe Mihevc**

*\* Notice of this Motion has been given.*

*\* This Motion is subject to a re-opening of Item EC26.6. A two-thirds vote is required to re-open that Item. If re-opened, the previous Council decision remains in force unless Council decides otherwise.*

### **Recommendations**

Councillor Mike Layton, seconded by Councillor Joe Mihevc, recommends that:

1. City Council authorize the General Manager, Economic Development and Culture to enter into and execute on behalf of the City a funding agreement with Blackhurst Cultural Centre to contribute the net proceeds from the sale of Honest Ed's Alley, being an amount of approximately \$1.78 million towards building demolition, construction and heritage preservation at 756 Bathurst Street in such amount and on such terms deemed necessary and appropriate by the General Manager, Economic Development and Culture and in a form satisfactory to the City Solicitor.
2. City Council increase the 2022 Approved Operating Budget for Economic Development and Culture by \$1.78 million gross, \$0 net, fully funded by the Land Acquisition Reserve Fund (XR1012) for the purposes of providing funding to Blackhurst Cultural Centre towards the demolition, heritage conservation and construction of the new building at 756 Bathurst Street, subject to Part 1 above.
3. City Council amend its previous decision on Item EC26.6 by amending Attachment 1 to the report (November 18, 2021) from the Interim General Manager, Economic Development and Culture, the Executive Director, Corporate Real Estate Management and the Director, Strategic Partnerships to reflect the contribution identified in Part 1 of Motion MM47.59 on terms and conditions satisfactory to the Executive Director, Corporate Real Estate Management, and in a form satisfactory to the City Solicitor.

### **Summary**

Blackhurst Cultural Centre ("Blackhurst"), formerly A Different Booklist Cultural Centre, is a destination serving as a bookstore and non-profit hub that provides opportunities to experience the rich culture and history of Canadians of African and Caribbean ancestry, and engages the public to learn about that history using literature, drama, music, dance and visual arts. Blackhurst was previously housed in the Mirvish Village neighbourhood but was required to temporarily relocate across the street due to the redevelopment of the former Honest Ed's site.

Given the long history of African Canadian and Caribbean Canadian community and heritage on Bathurst Street, and strong support for the presence of a purpose-built cultural centre, the City has made arrangements to move Blackhurst back to the Mirvish Village area, specifically at 756 Bathurst Street (the "Property").

As part of the redevelopment of Mirvish Village, the City accepted a financial payment in the amount of \$1,000,000 from its developer, Westbank Corp. ("Westbank"), in lieu of providing the City with non-profit and/or cultural space. In accordance with the Section 37 Agreement, this amount was intended to be used to fit out a community space in the area. The City also entered into an agreement with Westbank for the sale of a public laneway known as Honest Ed's Alley in the amount of \$4,425,000. The sale proceeds from the laneway were partially used to acquire the Property from Westbank, in the amount of \$2,550,000, with the remaining proceeds deposited into the Land Acquisition Reserve Fund. At its meeting on December 15, 16 and 17, 2021, in Item EC26.6, City Council declared the Property surplus and authorized the Corporate Real Estate Management to negotiate and enter into a 49-year below-market rent lease agreement with Blackhurst.

In accordance with the City Council-approved lease terms and conditions, Blackhurst is responsible for capital improvement work including State of Good Repair and Accessibility for Ontarians with Disabilities Act compliance works on the Property. After much review and assessment of the current building's condition, Blackhurst's original plan to renovate the existing building has now changed to demolish and rebuild a new building on the Property. To facilitate this additional cost, staff recommend the City allocate the remaining net proceeds from the sale of Honest Ed's Alley to the demolition and renovation of the new building. Funds will also be directed towards preservation of heritage elements from the existing structure on site. The City will be receiving an asset in the form of a new building, as the Property and new building will return to the City's stewardship at the end of Blackhurst's lease term.

Securing City Council authority for the agreements to implement this funding contribution is time-sensitive by virtue of Blackhurst's construction timelines. Without City Council authority to proceed with providing the funds already put into the Land Acquisition Reserve Fund for this project, the ability for Blackhurst to meet scheduled timelines for moving into this new location would be significantly impacted, resulting in considerable delays and additional costs.

## **REQUIRES RE-OPENING:**

Item EC26.6 (December 15, 16 and 17, 2021 City Council meeting) only as it pertains to Attachment 1.

## **Background Information (City Council)**

Member Motion MM47.59