

Amendment to Purchase Order 6025203 for Legal Services involving Union Station

Date: September 18, 2023

To: General Government Committee

From: Executive Director, Corporate Real Estate Management and Chief Procurement Officer

Wards: Ward 10 - Spadina-Fort York

SUMMARY

The purpose of the report is to request authority to amend Purchase Order number 6025203 issued to Davies Ward Phillips & Vineberg L.L.P. for the provision of Legal Services for negotiations with stakeholders, Metrolinx (former GO), VIA and other levels of government.

The purchase order amendment will ensure the continuity of professional services related to retail operations at Union Station that include but are not limited to legal negotiations with stakeholders, amendments to leasing and licencing agreements and adapting retail provisions for additional revenue generation under the Head Lease Agreement at Union Station. The purchase order amendment will be funded through the existing 2023 Council Approved Operating Budget and 2024 Operating Budget submission for Corporate Real Estate Management.

The total value of the Purchase Order Amendment being requested is \$300,000 net of all taxes and charges (\$305,280 net of Harmonized Sales Tax recoveries). This revises the current purchase order value from \$4,720,000 net of all taxes and charges to \$5,020,000 net of all taxes and charges.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and the Chief Procurement Officer recommends that:

1. General Government Committee, in accordance with Section 71-11.1.C of City of Toronto Municipal Code Chapter 71 (Financial Control Purchasing By-Law) grant authority to amend the existing purchase order, in accordance with the details as specified below:

- a. Purchase Order number 6025203 issued to Davies Ward Phillips & Vineberg L.L.P., in the amount of \$300,000 net of all applicable taxes and charges (\$305,280 net of Harmonized Sales Tax recoveries), revising the current purchase order authority from \$4,720,000 net of all applicable taxes and charges, up to a potential value of \$5,020,000, net of all taxes and charges (\$5,108,352.00 net of Harmonized Sales Tax recoveries), to provide ongoing real estate legal advice, draft legal terms and agreements for the ongoing agreements and negotiations with Union Station stakeholders.

FINANCIAL IMPACT

Funding for legal services expected in 2023 will be funded through the existing 2023 Council Approved Operating Budget for Corporate Real Estate Management. Additional funding for the balance of the amendment will be included in the 2024 Operating Budget Submission for Corporate Real Estate Management.

Table 1 Financial Impact Summary of Amendment Request

Purchase Order Number	Cost Centre	Period	Total
6025203 - Davies Ward Phillips & Vineberg L.L.P.	FA3078	November 1, 2023 - December 31, 2023	\$34,000 net of all applicable taxes and charges (\$34,598.40 net of HST recoveries)
		January 1, 2024 - December 31, 2024	\$266,000 net of all applicable taxes and charges (\$270,681.60 net of HST recoveries)
Grand Total			\$300,000 net of all applicable taxes and charges (\$305,280 net of HST recoveries)

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

DECISION HISTORY

At its meeting of November 30, 2021, the General Government and Licensing Committee adopted GL27.6 "Amendments to Purchase Orders 6025203 and 6040342 for Legal Service Involving Union Station" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$405,000, for a revised total of \$4,720,000 excluding applicable taxes, to provide ongoing real estate

legal advice, draft legal terms and agreements for the ongoing agreements and negotiations with Union Station tenants and stakeholders.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.GL27.6>

At its meeting on September 14, 2020, the General Government and Licensing Committee adopted GL15.12 "Union Station Revitalization Project - Status Report and Contract Amendments" and approved an amendment to the retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$330,000, for a revised total of \$4,315,000 excluding applicable taxes, to provide real estate legal advice, draft legal terms and agreements for the on-going agreements and negotiations with Union Station tenants.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.GL15.12>

At its meeting on April 24, 2018, City Council adopted the Executive Committee EX33.1 "Implementation of the SmartTrack Stations Program and the Metrolinx Regional Express Rail Program" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$415,000, for a revised total \$3,985,000 excluding applicable taxes, for real estate law advice and completion of the necessary property-related agreements to facilitate the Union Station Enhancement Project.

<https://secure.toronto.ca/council/agenda-item.do?item=2018.EX33.1>

At its meeting on May 29, 2017, the General Government and Licensing Committee adopted GM21.14 "Union Station Revitalization Project - Status Update" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$350,000, for a revised total of \$3,570,000 excluding applicable taxes, to provide real estate legal advice, draft legal terms and agreements for the on-going agreements and negotiations with Union Station tenants.

<https://secure.toronto.ca/council/agenda-item.do?item=2017.GM21.14>

At its meeting on February 03, 2016, City Council adopted the Government Management Committee GM9.5 "Union Station Proposed Building Enhancements" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$350,000, for a revised total of \$3,220,000 excluding applicable taxes, to provide continuing real estate legal advice and expertise for the on-going agreement updates associated with the revitalization project.

<https://secure.toronto.ca/council/agenda-item.do?item=2016.GM9.5>

At its meeting on December 16, 2013, City Council adopted the Government Management Committee GM26.5 "Union Station Revitalization Project - Status Update" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$500,000, for a revised total of \$2,870,000 excluding applicable taxes, to provide real estate legal advice and expertise for the on-going agreement updates associated with the revitalization project.

<https://secure.toronto.ca/council/agenda-item.do?item=2013.GM26.5>

At its meeting on March 05, 2012, City Council adopted the Government Management Committee GM11.4 "Union Station Revitalization - Amendment of Contracts" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$600,000, for a revised total of \$2,370,000 excluding applicable taxes,

to provide real estate legal advice and expertise for the on-going agreement updates associated with the revitalization project.

<https://secure.toronto.ca/council/agenda-item.do?item=2012.GM11.4>

At its meeting on November 30, 2009, City Council adopted the Government Management Committee GM26.32 "Union Station Revitalization Award of Contracts" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$500,000, for a revised total of \$1,650,000 excluding applicable taxes.

<https://secure.toronto.ca/council/agenda-item.do?item=2009.GM26.32>

At its meeting on August 05, 2009, City Council adopted the Executive Committee EX33.44 "Union Station Revitalization Implementation and Head Lessee Selection" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$300,000, for a revised total of \$1,150,000 excluding applicable taxes.

<https://secure.toronto.ca/council/agenda-item.do?item=2009.EX33.44>

At its meeting on December 01, 2008, City Council adopted the Executive Committee EX26.3 "Union Station Revitalization Implementation" and approved an amendment to the legal retainer of Davies Ward Phillips & Vineberg L.L.P. in the amount of \$450,000, for a revised total of \$850,000 excluding applicable taxes.

<https://secure.toronto.ca/council/agenda-item.do?item=2008.EX26.3>

At its meeting on November 26, 2007, the Executive Committee adopted EX15.2 "Union Station Revitalization - Recommended Approach" as the conceptual framework for the revitalization of Union Station. This form the basis for the award of the legal retainer to Davies Ward Phillips & Vineberg L.L.P. to provide Legal Services and support City staff with negotiating agreements with various stakeholders in the amount of \$400,000 excluding applicable taxes.

<https://secure.toronto.ca/council/agenda-item.do?item=2007.EX15.2>

COMMENTS

Davies Ward Phillips & Vineberg L.L.P.

Additional retail operations at Union Station are scheduled to open in late 2023 and throughout 2024 that will result in greater revenue generation at Union Station. These operations have corresponding legal agreements under the Head Lease Agreement that require real estate legal advice and drafting amendments to leasing and licencing agreements at Union Station.

If approved, Purchase Order number 6025203, issued to Davies Ward Phillips & Vineberg L.L.P., will be amended for an additional purchase order value of \$300,000 net of all applicable taxes and charges, \$339,000 including all applicable taxes and charges (\$305,280 net of Harmonized Sales Tax recoveries), increasing the total potential purchase order value to \$5,020,000 net of all applicable taxes and charges,

\$5,672,600.00 including all applicable taxes and charges (\$5,108,352.00 net of Harmonized Sales Tax recoveries).

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SIGNATURE

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