

November 5, 2002

“A VOTE IN THE DARK”

TO: Chair and Members, Administration Committee
FROM: Councillor Michael Walker
RE: Union Station Request for Proposals

RECOMMENDATIONS:

- 1) Terminate the present Request for Proposals and Master Agreement negotiations and initiate an international design competition that incorporates the railway lands south of Union Station, Union Station and the Air Canada Centre; and
 - 2) That an independent review of the present project be commissioned – such review to be completed for the March 25, 2003 Administration Committee meeting; and
 - 3) That Clause #1 to the Administration Committee from the Commissioner of Corporate Services, dated October 24, 2002, be received; and
 - 4) That no further consideration be given to this matter until the March 25, 2003 meeting of the Administration Committee.
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BACKGROUND

I have had the privilege of serving the people of Toronto for over twenty years. In order to discharge my duties it is only common sense that it is necessary to be informed.

In my opinion, we have been asked to vote on the union station proposal without having sufficient information to do so. That is an insult to our integrity and furthermore, if followed, would be a dereliction of our duty.

I would like to propose an alternative and hopefully better way for us to proceed. The question has to be asked: Why are we tendering Union Station without due consideration

of the lands to the south that we own? Surely the design of a project envisioned now should incorporate both properties and likely the Air Canada Centre at the same time.

Union Station is not only a Toronto landmark, but a Canadian one as well. We now have an opportunity to create a landmark project - one to be recognized world wide. We own the lands to the south of Union Station and the inherent value of that land can create the capital that could be used to capitalize and develop the site not only in an economic fashion but as a landmark statement.

The call for proposals re: Union Station stated that the development of this land should only be peripherally taken into account in the selection process. That is illogical. Should we pour the footings before planning the building?

I am not sure what the value of the railway lands are but indications are that the value is over \$100 million. Certainly an appraisal would be helpful. One of the parties who submitted a proposal on Union Station has indicated the railway lands' value as \$200 million.

Certain buildings around the world have created landmarks. Examples are the Empire State Building, the Rockefeller Center, the Sydney Opera House, and Toronto City Hall itself. We have a chance to utilize this property together with Union Station to create the same. I would suggest that an international competition be called for the design of these lands, incorporating and merging the project with both Union Station and the Air Canada Centre.

Further to this, the newly adopted Official Plan states in section 3.1.1, the Public Realm:

“Policies:

- (1) - Quality architectural, landscape and urban design will be promoted by:
 - ...(b) using design competitions to seek design excellence and promote public interest in design quality for public works; and...

In order to protect Council's interests and to realize the best economic benefits, I propose that the design firm need not be the developer. Thus, once we have decided on and approved the design of the project, we can open that for tender. We almost certainly will get better value as the inside track will have been broken.

Even if the City has to contribute a part of the value of the land and thus subsidize the costs so as to make them economical, the benefit will be the landmark project.

The process must be transparent and without conflicts of interest or even the appearance of conflicts. One of the significant shareholders in the preferred respondent is a major significant shareholder in the Air Canada Centre. His lawyer, and good friend, is our mayor's son. Accordingly, it would seem the mayor has an apparent conflict of interest that should be investigated. If there is not the appearance of conflict here I do not know

what the term means. I cannot and will not vote for this proposal under these circumstances.

Approximately ten years ago I objected to a development proposal on Mutual Street involving the Sears Building and other adjacent properties. When City Council agreed on my and former Councillor Jacobek's initiative to bring in an independent consultant for a report, the City realized savings in excess of \$30 million.

At the very least, if we proceed as we are being advised to by staff which I am against, I feel strongly that an independent review of this project be commissioned prior to any vote.

This building has been with us for nearly eighty years. Three or four more months is reasonable.

Councillor Michael Walker
