

Date: 2021-03-25

Subject: **Request for Budget Amendment - the City of Brampton-Lorne Scots Military Museum**

Contact: **Sean Cressman, Manager, Building Design and Construction, Public Works & Engineering, 647.825.4158
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Report Number: Public Works & Engineering-2021-424

Recommendations:

1. That the report from Sean Cressman, Manager, Building Design & Construction, Public Works and Engineering, to the Committee of Council Meeting of April 14, 2021, re: **Request for Budget Amendment - the City of Brampton-Lorne Scots Military Museum**, be received; and
2. That staff be authorized to negotiate and execute a Memorandum of Understanding and Lease Agreement with the Regimental Association of The Lorne Scots (Peel Dufferin and Halton Regiment), for the use of a portion of 55 Queen Street East as the City of Brampton-Lorne Scots Military Museum, on such other terms and conditions as may be satisfactory to the Commissioners of Community Services and Public Works and Engineering; and
3. That a budget amendment be approved and a new capital project be established in the amount of \$250,000 to make modifications to 55 Queen Street East to accommodate a museum tenancy, with funding to be transferred from Reserve # 4 Repair and Replacement to this capital project.

Overview:

- **On September 9th, 2020 there was a delegation on behalf of the Regimental Association of The Lorne Scots (Peel Dufferin and Halton Regiment) regarding a Proposal for a City of Brampton-Lorne Scots Military Museum. The proposal provides for the use of a portion of the 55 Queen Street East facility as a regimental museum.**

- **Staff reviewed the project requirements with Accessibility, Heritage and Building Division stakeholders. Staff also consulted with representatives from the Lorne Scots.**
- **In order for the City to provide a space sufficient for use as a museum, an initial capital project is required. This project would accommodate the required change of use for the building and carry out minor modifications. These changes would include a second emergency exit from the upper floor, as well as minor interior finishes alterations. The initial capital project is estimated to cost \$250,000.**
- **This project does not include extensive renovation, electrical alterations, complete finishes replacement or accessible wheelchair access. If these or other significant changes to the scope of work result from MOU negotiations, the project budget will likely require a top-up.**
- **The Regimental Association of The Lorne Scots (Peel Dufferin and Halton Regiment) have proposed that all facility life cycle maintenance costs, security expenses and utility costs would be paid for by the City, with no lease fees paid for by the Lorne Scots.**
- **Fit-up of the space with displays and operation of the museum is to be performed by the Lorne Scots.**
- **The only current tenant of the existing facility is the Brampton Concert Band, the group occupies a portion of the lower floor. The remainder of the building is vacant.**

Background:

The existing 55 Queen Street East facility is part of a designated heritage property owned by the City of Brampton. The building was constructed in 1906 and is a rare example of Beaux Art Style architecture in Brampton.

The building is accessible only by stairs for both the upper and lower level. There is no wheelchair access to the building. The building also only has one exit from the upper floor. The number of exits would need to be increased for use as a museum space. There is also no on-site parking, and due to the tight site constraints there is no space available for the addition of parking stalls.

Currently the only tenant is the Brampton Concert Band. This organization uses a portion of the basement. The remaining basement space and entire upper floor are vacant.

The Lorne Scots Regimental Museum is currently operating in a space nearby at 48 John Street. The group's current location no longer meets their needs and space requirements.

On September 9th, 2020, Council Resolution CW163-2020 was passed, which outlined:

1. That the delegation from Henry F. Verschuren CD, Government and Community Liaison, The Regimental Association of The Lorne Scots (Peel Dufferin and Halton Regiment), to the Committee of Council Meeting of September 9, 2020, re: **Proposal for The City of Brampton-Lorne Scots Military Museum** be received; and
2. That the delegation request be **referred** to staff for consideration and a report back to a future Committee of Council meeting.

Current Situation:

Staff have reviewed the proposed City of Brampton-Lorne Scots Military Museum and liaised with representatives for the Regimental Association of The Lorne Scots (Peel Dufferin and Halton Regiment). Staff have also consulted with stakeholders for Accessibility, Heritage and the Building Division.

The delegation from Henry F. Verschuren CD on September 9th had identified that time is of the essence for this arrangement, as there was a Presentation of Colours Parade and potential Regimental reunion scheduled for the fall of 2021. On March 1st, 2021 staff met with representatives of the Lorne Scots, and were advised that the parade has been cancelled for the fall of 2021 and will be rescheduled.

This report is seeking direction to proceed with the City of Brampton-Lorne Scots Military Museum. If staff are to proceed, a Memorandum of Understanding (MOU) would be required between the City and the Lorne Scots. The MOU would outline the preliminary terms of the Lease Agreement as well as initial project and fit-up responsibilities of the City and the Lorne Scots.

The Lorne Scots have proposed that there would be no ongoing lease fees paid to the City, and the City would continue to conduct life cycle maintenance, operate security and pay utilities. The Lorne Scots have proposed 10 year term for the museum, with options for renewal. Renewal would require agreement from both organizations.

Policy to deal with requests for lease or purchase at less than market value is based on a September 2007 Committee of Council Report. As there would be no lease fee payable, the Lorne Scots would need to provide a note justifying the discount from market rate with a quantifiable analysis of all the other benefits the City would receive from the project (i.e. jobs, local spending, etc.) in return for the discount. The note is to be reviewed by the Economic Development team to determine if their justification is acceptable for the City.

City Capital Project Requirements

The City's scope of work for the initial capital project would include a change of use for the facility to an Assembly occupancy. This change of use requires the addition of a second exit from the upper floor. As part of this project the City would also repair damaged finishes and ensure there is sufficient colour contrast to address visual accessibility needs. A small exterior sign for the museum is to be included in this capital project, the details of the sign are to be reviewed with Heritage staff and the Lorne Scots. Based on the rough scope of work available, the initial capital project is forecasted to cost \$250,000. In the event the scope changes significantly during MOU negotiations, the budget may require a top-up.

Lorne Scots Responsibilities

The Regimental Association of the Lorne Scots (Peel Dufferin and Halton Regiment) would be responsible for fit-up of the space. This includes the relocation and setup of museum materials and furnishings. Minor electrical alterations if required, would be the responsibility of the Lorne Scots.

Not Included in the Capital Project

The City's scope of work does not include significant renovations to the space, extensive finishes replacement or electrical work. The intention of this project is to provide a space in a timely manner sufficient for a museum tenancy, with minimal financial costs to be incurred by the City.

The existing building is in close proximity to the property lines, and does not have any dedicated parking spaces. Given the tight site constraints, parking spaces within the property is not feasible. No parking arrangements or construction is included in the project.

Accessible access to the space is not included in this project. It was determined that minor upgrades to provide wheelchair access would have a significant impact on the heritage characteristics of the facility while significantly increasing project costs. The preferred long-term approach for wheelchair access to this facility would include a building addition with a lift or a co-development with the neighbouring 2 Chapel Street facility to provide wheelchair access from the adjacent building. These accessibility solutions could be considered in the future as part of a larger project for the building and surrounding area.

Corporate Implications:

Purchasing Comments:

A public Procurement Process will be conducted and the lowest compliant Bid will be eligible for contract award. Purchase approval shall be obtained in accordance with the Purchasing By-law.

All communication with Bidders involved in the procurement must occur formally, through the contact person identified in the Bid Document.

Financial Implications:

Subject to Council approval of the recommendation, a budget amendment will be required and a new capital project will need to be established in the amount of \$250,000 to make minor modifications to 55 Queen Street East to accommodate a museum tenancy; with funding to be transferred from Reserve # 4 Repair and Replacement, which currently has sufficient funding.

Any additional funding required due to changes to scope of work resulting from MOU negotiations will either be outlined in a future report or submitted through the annual budget process for Council's consideration and approval.

The ongoing annual operational costs associated with this arrangement are approximately \$55,000.

Realty Implications:

Based on the Council direction, Realty Services will assist with the negotiation and execution of the Memorandum of Understanding/ Lease Agreement.

FOM Implications:

Based on the staff report, there would be no ongoing lease fees paid to the City, and the City would continue to conduct life cycle maintenance for the facility.

Estimated annual operating costs for the whole building are \$73,400 (\$10.34/sq ft, Rentable area - 7100sq.ft.).

Please note Brampton Concert Band is currently using part of the basement (approximate rentable area 2300sq.ft.). Based on square footage, their portion of the facility equates to operational costs of approximately \$23,782 annually, however they are not paying rent or utilities currently.

Based on the remaining area used by Lorne Scot's Museum, annual operating costs for the museum portion of the building are approximately \$55,000 annually.

Term of Council Priorities:

This report supports the Term of Council Priorities and the 2040 Vision.

Brampton is a Safe & Healthy City: this project strengthens community partnerships through a shared project between the City of Brampton and the Regimental Association of the Lorne Scots (Peel Dufferin and Halton Regiment).

Brampton is a Well-Run City: this project reinforces collaboration and advocacy in the community by leveraging the City's relationship with the Regimental Association of the Lorne Scots (Peel Dufferin and Halton Regiment).

Conclusion:

This report seeks Council direction to proceed with a City of Brampton-Lorne Scots Military Museum. If staff are authorized to proceed, a Memorandum of Understanding (MOU) and Lease Agreement would be required between the City and the Regimental Association of the Lorne Scots (Peel Dufferin and Halton Regiment). The MOU would outline that the City is to prepare the space for use as a museum, and that the Lorne Scots would be responsible for fit-up of the space. No ongoing lease fees are proposed, and the City would remain responsible for life cycle maintenance, security and utilities. The initial project to provide a space suitable for a museum use is forecasted to cost \$250,000. This project includes a change of use to an Assembly occupancy, installation of a second exit from the upper floor and minor finishes alterations.

Authored by:

Reviewed and Recommended by:

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Approved by:

Submitted by:

Jayne Holmes, Commissioner (Acting), Public Works and Engineering

David Barrick, Chief Administrative Officer, City of Brampton

Attachments: Appendix A – 55 Queen St E - Existing Floor Plans