



The Bawcutt Centre Advisory Committee

To: Chair and Members of the Bawcutt Centre Advisory Committee
From: Michael Bradley, General Manager Operations, Deputy CAO
Date: August 12, 2016
Subject: Bawcutt Centre Advisory Committee adopt Terms of Reference
Purpose: For Approval

Recommendation

That the Bawcutt Centre Advisory Committee adopt the attached Terms of Reference.

Key Strategic Priority

3. To ensure our community is healthy, safe and progressive.

Financial Considerations

Financial considerations pertaining to the acquisition and restoration of the Bawcutt Centre are found throughout the body of this report.

Report

This report is intended to update the Bawcutt Centre Advisory Committee (Advisory Committee) on the status of the Bawcutt Centre project.

Acquisition of the Bawcutt Centre

Following negotiations throughout 2015, Council authorized acquisition of the Bawcutt Centre in October of 2015. In December, Council entered into a gifting agreement with Skystone Media to secure a \$1,000,000 donation towards both acquisition and restoration of the Bawcutt Centre. The property was acquired in March of 2016.

There were a number of conditions in the acquisition, including:

- \$750,000 was paid to the owner towards the \$1,100,000 purchase price;
- The balance owing of \$350,000 to the owner is being paid in the form of a mortgage; this mortgage is payable over a 5-year term at an annual interest rate of 2.6% per annum, resulting in an annual mortgage payment of \$75,000;
- The County agreed to lease the main floor of the building back to the owner for \$36,000 annually for a 3- year term with the option for 2- additional 1- year terms.

This lease arrangement, as well as providing a source of income to apply against the annual mortgage amounts owing, has the added advantage of providing full-time, consistent occupation of the building which substantially reduces the likelihood of vandalism and unauthorized entry to the building.

Gifting Agreement with Skystone Media

As noted above, Council entered into a gifting agreement with Skystone Media, the production company of former Paris resident Linda Schuyler and her husband Stephen Stohn (the "Donors"). This Gifting Agreement can be found as Attachment 1 to this report. The agreement provided that the Donor would transfer to the County shares of a publicly traded company valued at \$1,000,000, provided the County meets a number of conditions, including:

1. Presenting the donor with a "mission statement" outlining concepts for use, costs for restoration, and proposed funding sources. This "mission statement" took the form of a business case, outlined later in this document, which was presented and accepted by the Donors.
2. Purchasing the building, which, as noted, has occurred; it should be noted that, of the donated funds, only \$750,000 is to be used for acquisition of the property, with the balance to be applied to restoration activities.
3. A heritage conservation easement protecting the heritage attributes of the property and registered on the property's title in favour of the Ontario Heritage Trust, which will be discussed below.
4. Passage of a municipal bylaw giving the property provincial heritage status under the Ontario Heritage Act, which will also be discussed below.
5. Naming the building the Bawcutt Centre, named after former Paris Mayor Jack Bawcutt;
6. Providing an annual report to the Donor.
7. Using the building consistent with a conservation and development plan, which will be discussed below.
8. Forming an Advisory Committee, which will also be discussed below.

As per the Gifting Agreement, in late December of 2015 Skystone Media transferred shares to the County with a market value of \$1,000,000. The County sold these shares upon receipt as it is required to do under the Municipal Act and utilized these funds to acquire the building.

Heritage Designation Activities

As noted, one of the conditions of the Gifting Agreement with the Donors is to protect the property through heritage designation mechanisms. That Section 29 of the Ontario Heritage Act, R.S.O. 1990, outlines the process to designate a property as a heritage property. This designation process involves the following steps:

1. Identifying the property as a candidate for designation;
2. Researching and evaluating the property;
3. Serving Notice of Intention to Designate, with an opportunity for objection;
4. Passing and registering the designation bylaw;
5. Listing the property on the municipal register; and,
6. Listing on the provincial register.

The County of Brant Heritage Advisory Committee is charged with overseeing the process to designate a heritage property in the County. The Heritage Advisory Committee is proceeding to designate the Bawcutt Centre and, as of the date of this report, is completing its research

and evaluation of the property. Upon completion of their research, the remainder of the process will be initiated. Upon passing of the municipal bylaw, the Bawcutt Centre would also be eligible for listing on the Canadian Register of Historic Places, a list of historic places maintained by the Parks Canada. A recommendation to designate the Bawcutt Centre is scheduled to be presented to the Heritage Advisory Committee at their meeting of August 4, 2016.

In addition, the Gifting Agreement articulates a further level of heritage protection for the Bawcutt Centre, that being a heritage conservation easement in favour of the Ontario Heritage Trust (OHT). The Ontario Heritage Trust is a provincial agency charged with protecting heritage resources throughout the province. As well as owning a selection of unique historic properties in Ontario, the OHT will also hold easements over other privately or publicly owned properties. These easements give the OHT rights over certain heritage attributes of a property to aid in the protection of these heritage attributes. Following completion of the municipal designation noted above, the Heritage Advisory Committee has indicated it will take the lead on the development and negotiation of this easement.

Finally, there has been interest in seeking designation of the Bawcutt Centre as a “National Historic Site”, a federal designation for properties with unique or individual heritage value overseen by the Historic Sites and Monuments Board of Canada. A potential national historic site must:

- illustrate an exceptionally creative achievement in concept and design, technology and/or planning, or a significant stage in the development of Canada; or,
- illustrate or symbolize in whole or in part a cultural tradition, a way of life or ideas important in the development of Canada; or,
- be most explicitly and meaningfully associated or identified with one or more persons who are deemed of national historic significance; or,
- be most explicitly and meaningfully associated or identified with one or several events that are deemed of national historic significance.

Again, the Heritage Advisory Committee has indicated an interest in seeking this recognition for the Bawcutt Centre.

Bawcutt Centre Advisory Committee

As noted earlier, one of the conditions of the Gifting Agreement with Skystone Media is to set up an Advisory Committee. The Advisory Committee’s role is outlined in Schedule “B” of the Gifting Agreement, which notes that it will serve as an “Advisory Committee” to Council with the additional responsibilities as follows:

- a. the [Advisory] Committee shall, in consultation with the [the County], establish policies with respect to the day-to-day operations of the Property;
- b. the [Advisory] Committee shall closely monitor operating costs and implement policies to encourage the cost-effectiveness of operations at the Property; and
- c. the [Advisory] Committee shall consider opportunities to generate revenue at the Property with a view to generating sufficient revenue to offset operating expenses.

In addition to these responsibilities, Section 5(c) of the Gifting Agreement itself notes *The [County] is to ensure that the Property is redeveloped in accordance with a conservation and development concept commissioned by the [Advisory] Committee, which lays out the planned uses and substantial alterations and additions proposed, complies with the Standards and Guidelines for the Rehabilitation of Historic Properties in Canada and the provisions of the heritage conservation easement, and has been endorsed by Heritage Canada.*

The above responsibilities do not necessarily have to define the limits of the Advisory Committee's role, and it is assumed that the Advisory Committee may influence many other facets of the future of the Bawcutt Centre. With this in mind, a draft Terms of Reference have been prepared for the consideration of the Advisory Committee, which accompanies this report as Attachment 2.

Business Case

As noted above, a business case was prepared and presented to the Donors in 2015. This business case was the outcome of a strategic planning exercise undertaken by an informal group comprised of County representatives, members of the Society for the Preservation of Paris Architectural Heritage (SPAHH), and community stakeholders. The business case is attached to this report as Attachment 3. In brief, the business case outlines:

- A vision for the Bawcutt Centre project, this being to *“Acquire, restore and repurpose the [Bawcutt Centre] to its original function, as a multipurpose hub serving as a social, artistic, and municipal gateway for the County of Brant.*
- A high level design/usage concept for the Bawcutt Centre, which outlines unstructured, open space on the main floor for accommodating a variety of public uses, and use of the upper floor in a similar fashion as well as a possible future site of the County Council chambers. As well, some space on the main floor is proposed for municipal office purposes.
- An estimate of the capital costs to restore the Bawcutt Centre to a condition where the use outlined above could be achieved. Restoration costs of \$3,600,000 are projected.
- A financial summary of the Bawcutt Centre capital program, noting that this summary was based on a lower acquisition price for the property. The financial summary outlines a funding proposal based on the assumptions outlined in the business case with funding sources that include the County, private donations and external grants.

The Committee should be aware that this business case was considered by County Council during its deliberations on the acquisition of the Bawcutt Centre, but the business case was not approved or adopted. The Business Case includes funding commitments from the County towards the project which are not currently part of the County's 5-year capital forecast.

Proposed Near Term Objectives for the Advisory Committee

The core objectives for the Advisory Committee, as outlined in Schedule “B” of the Gifting Agreement, are operational in nature. However, the Bawcutt Centre will need to be restored before these operational objectives can be fully achieved. It is proposed that the Advisory Committee will need to focus on restoration of the building for the next 3 to 5 years, and as such; a work plan for the Advisory Committee has been presented below:

- 1) Develop the conservation / development concept outlined in the Gifting Agreement. The Gifting Agreement notes that this concept must be in accordance with the Standards and Guidelines for the Conservation of Historic Places in Canada (corrected from the Gifting Agreement). This document is a comprehensive guide to restoring historic structures and can serve as a guide for the Advisory Committee in the process to restore the Bawcutt Centre. It is suggested that external expertise may be required for this process.
- 2) Develop a funding plan, which will include securing both private donations and external grants.
 - a. External Grants – a range of external grants exist through the upper levels of government and through other funding agencies. These grants take the form of one-time grant offerings or ongoing grant offerings. Often, these grants offer to fund 50% of the cost of a project. Key to obtaining these grants is having a well-defined “shovel-ready” project which can be implemented in an achievable and often short timeline. It is suggested that, until the conservation / development concept noted above is finalized, obtaining external grants may be challenging. Further, the completion of the heritage designations outlined earlier will significantly aid in successfully obtaining external grants.
 - b. Fundraising – fundraising will likely play a key role in preserving the Bawcutt Centre. Although fundraising can take many complex forms, it is suggested that there are 2 common fundraising initiatives for a project of this nature:
 - i. A “community based” fundraising initiative, which would involve community members, under the guidance of the Advisory Committee or possibly a subcommittee, raising funds under a structured initiative. These initiatives usually involve a variety of promotions and events. Branding of these initiatives is usually limited and the success of the campaign is usually reliant on the efforts of local volunteers and the visibility of the project itself. These initiatives are more limiting in the amounts that can be raised but also have much lower costs.
 - ii. A “major fundraising campaign”, which would involve a highly orchestrated and deeply organized campaign. This initiative would likely have a stand-alone committee structured with campaign officers, and may include honorary chairpersons who bring significant recognition to the campaign. External expertise is often obtained to develop these campaigns and in-house talent is often obtained to run the campaign. These campaigns often see larger single donations and can extend beyond local boundaries. Branding, complex marketing, and significant research all contribute to a successful major fundraising campaign. These campaigns involve higher costs but also are more likely to raise larger sums of money.

It is proposed that, prior to deciding on which form of fundraising initiative to consider, some expert advice on fundraising should be obtained.

- 3) Implement the conservation / development concept which will include preservation, restoration, and rehabilitation actions that will return the building to a fully functional condition for community purposes.

Public Open House at the Bawcutt Centre

The Advisory Committee, at its last meeting, directed that an open house be coordinated to coincide with heritage designation of the building. As this designation has an unknown timeline, no date for this has been proposed.

Interdepartmental Considerations

None

Attachments

1. Attachment 1- *"Gifting Agreement"*
2. Attachment 2- *"Draft Terms of Reference"*
3. Attachment 3- *"Business Case"*

Copy to

1. Paul Emerson, CAO

In adopting this report, is a bylaw or agreement required?

If so, it should be referenced in the recommendation section.

By-law required (No)

Agreement(s) or other documents to be signed by Mayor and /or Clerk (No)

Is the necessary by-law or agreement being sent concurrently to Council? (No)