Information and Privacy Commissioner, Ontario, Canada



Commissaire à l'information et à la protection de la vie privée, Ontario, Canada

ORDER MO-3464

Appeal MA14-551

Cambridge Public Library Board (also known as the Idea Exchange)

June 30, 2017

Summary: The appellant submitted a request under the *Municipal Freedom of Information* and *Protection of Privacy Act* for records relating to the purchase and restoration of a historic building to house a new library and restaurant. The library located responsive records but withheld access to a feasibility report and preliminary report. The library claims that the records qualify for exemption under sections 6(1)(b)(closed meeting), 10(1)(a)(third party information) or 11(a)(economic and other interests). In this order, the adjudicator finds that none of the exemptions claimed by the library apply and orders it to disclose the records to the appellant.

Statutes Considered: *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56, as amended, ss.6(1)(b), 10(1)(a), and 11(a).

Orders and Investigation Reports Considered: MO-3362-F

Related Decisions: MO-3273-I, MO-3285-I, MO-3362-F and MO-3396-F.

OVERVIEW:

- [1] The appellant filed a request under the *Municipal Freedom of Information and Protection of Privacy Act* (the *Act*) to the Cambridge Public Library Board (the library) for records relating to the expansion of the library, including a restaurant, at the Old Post Office Building.
- [2] The library issued a decision to the appellant denying access to a feasibility study on the basis that it contains information which qualifies for exemption under the third party information exemption under section 10(1). The library also located another

report it identified as a preliminary report, which discussed the pros and cons of expanding the old post office location. The library submits that the preliminary report was considered in camera and thus qualifies for exemption under section 6(1)(b) (closed meeting).

- [3] The appellant appealed the library's decision to this office and a mediator was assigned to explore settlement with the parties.
- [4] During mediation, the appellant questioned the reasonableness of the library's search and requested additional information about the withheld records. In response, the library issued a revised decision and advised that:
 - no responsive records relating to the portion of the appellant's request for partnership agreements, cost-sharing agreements or partnership operating agreements exist;
 - the feasibility study contains third party information which qualifies for exemption under section 10(1) and that the exemption at section 11(a) (economic and other interests) also applies;
 - the preliminary report was considered at a closed meeting and thus qualifies for exemption under section 6(1)(b) and that the exemption at section 11(f) (economic and other interests) also applies.
- [5] The library's revised decision letter, dated September 4, 2015 marks the first time it raised the possible application of the discretionary exemptions at sections 11(a) and (f) to the records.
- [6] This office's Notice of Mediation, dated January 19, 2015 set February 23, 2015 as the deadline for claiming additional discretionary exemptions. At the end of mediation, the appellant confirmed that she objected to the library's late raising of section 11 to the records. Accordingly, the library's late raising of section 11 to the records was added as an issue to the appeal. Also added was the possible application of the public interest override at section 16. Finally, the appellant continued to question the reasonableness of the library's search along with the application of the exemptions.
- [7] As mediation did not resolve the appeal the file was transferred to adjudication where an adjudicator conducts an inquiry.
- [8] During the inquiry stage, the parties, including the architectural firm that prepared the feasibility report provided representations to this office. The architectural firm (the third party) indicated that it has no objections to the library providing a copy of the report to the appellant. In its representations, the library indicated that it no longer relies on section 11(f)(economic and other interests) to withhold the preliminary report though it continues to rely on the exemption under section 6(1)(b). The appellant also confirmed that she is not interested in seeking access to records relating to the restaurant involving the new tender. Instead, the focus of her request is to

obtain information about the proposed partnership with the previous owners.¹

[9] In this order, I find that none of the exemptions claimed by the library apply to the records. As a result, the library is ordered to disclose the records to the appellant.

RECORDS:

- [10] The records at issue are as follows:
 - Preliminary Report The Old Galt Post Office Redevelopment Proposal, dated May 10, 2012 (7 pages)
 - Feasibility Report for the Old Galt Post Office, Library & Restaurant, October 31, 2013 (89 pages)

PRELIMINARY ISSUES:

Should the library be allowed to apply a new discretionary exemption to the feasibility report?

[11] The *IPC Code of Procedure* (the *Code*) provides basic procedural guidelines for parties involved in appeals before this office. Section 11 of the *Code* addresses circumstances where institutions seek to raise new discretionary exemption claims during an appeal. Section 11.01 states:

In an appeal from an access decision an institution may make a new discretionary exemption claim within 35 days after the institution is notified of the appeal. A new discretionary exemption claim made within this period shall be contained in a new written decision sent to the parties and the IPC. If the appeal proceeds to the Adjudication stage, the Adjudicator may decide not to consider a new discretionary exemption claim made after the 35-day period.

[12] The purpose of the policy is to provide a window of opportunity for institutions to raise new discretionary exemptions without compromising the integrity of the appeal process. Where the institution had notice of the 35-day rule, no denial of natural justice was found in excluding a discretionary exemption claimed outside the 35-day period.²

[13] In determining whether to allow an institution to claim a new discretionary

¹ The City of Cambridge (the city) purchased a heritage building known as the Old Galt Post Office Building to house a new library. Initially, the former owners of the building were to operate a restaurant in the new library and contribute towards restaurant renovations. However, the previous owners withdrew from the project and the city commenced a tendering process to locate a new tenant to operate a restaurant in the new library.

² Ontario (Ministry of Consumer and Commercial Relations v. Fineberg), Toronto Doc. 220/95 (Div. Ct.), leave to appeal dismissed [1996] O.J. No. 1838 (C.A.). See also Ontario Hydro v. Ontario (Information and Privacy Commissioner) [1996] O.J. No. 1669 (Div. Ct.), leave to appeal dismissed [1996] O.J. No. 3114 (C.A.).

exemption outside the 35-day period, the adjudicator must also balance the relative prejudice to the institution and to the appellant.³ The specific circumstances of each appeal must be considered individually in determining whether discretionary exemptions can be raised after the 35-day period.⁴

- [14] During mediation, the appellant raised objections to the library's claim that section 11(a) now also applied to the feasibility report.
- [15] I have decided to allow the library to raise the discretionary exemption under section 11(a) to withhold the feasibility report, despite it being raised outside the 35-day time limit. In making my decision, I took into account that the library originally relied on the third party information exemption under section 10(1)(a) to withhold the report in question. However, the third party has no objection to disclosure and as a result did not provide representations to this office supporting the library's position.
- [16] The purpose of section 11 is to protect certain economic interests of institutions. Generally, it is intended to exempt commercially valuable information of institutions to the same extent that similar information of non-governmental organizations is protected under the *Act*.⁵
- [17] Under the circumstances, I find that the library would suffer greater prejudice than the appellant if it is prevented from raising section 11(a) to withhold the feasibility report. The appellant was made aware of the library's position to withhold the report in its initial decision letter under section 10(a) and an argument can be made that the interests the library seeks to protect by raising section 11(a) are similar. In addition, given the third party's position I am satisfied that allowing the library to claim an additional discretionary exemption would not compromise the appeal process.
- [18] Accordingly, this order will consider the library's representations in support of its position that the exemption at section 11(a) applies to the feasibility report.

Did the appellant establish a reasonable basis for concluding that additional records should exist?

- [19] Although a requester will rarely be in a position to indicate precisely which records the institution has not identified, the requester still must provide a reasonable basis for concluding that such records exist.⁶
- [20] During mediation, the appellant raised questions about the reasonableness of the library's search and takes the position that additional records should exist. The Mediator's Report identified additional records the appellant believes should exist as partnership agreements, cost-sharing agreements and/or partnership operating

⁴ Orders PO-2113 and PO-2331.

³ Order PO-1832.

⁵ Public Government for Private People: The Report of the Commission on Freedom of Information and Individual Privacy 1980, vol. 2 (the Williams Commission Report) Toronto: Queen's Printer, 1980.

⁶ Order MO-2246.

agreements between the city/library and the original restaurant proponent.

[21] The library takes the position that these types of records do not exist. The appellant responded that these types of records should exist given the nature and scope of the project. In her representations, the appellant states:

I am not seeking information regarding the restaurant that occurred subsequent to the [previous owners] withdrawing from the "partnership" with the City and/or Library as the restaurateur and which resulted in the issuance of [an identified RFP]...

I am seeking information pertaining to any partnership, agreement (verbal or documented) among any of the City, the Library and the [previous owner].

[22] Throughout the appeal process the appellant raised concerns about "backroom" deals and states:

[n]o public information has come forth to explain why a restaurant is a necessary component of a public building when there are so many privately owned food and beverage facilities surrounding it. No public information has come forth to explain why additional space is required to be built onto this heritage building and questions arise if it would be necessary if there was no restaurant.

[23] The appellant also provided a copy of an email from a former city councillor as proof that city council required a business plan before approving the city's purchase of the subject property. She also provided a copy of an newspaper article in which the city's CAO states that the project was a "public private partnership involving the City of Cambridge contributing \$6 million, the library board contributing \$6 million and former owners [of the building] contributing \$500,000 for the restaurant renovations as part of the purchasing agreement". In support of her position, the appellant states:

[W]hile I will concede that the exact documents referenced by [the councillor] may be subject to a different name, I do not accept that documents containing the intent of her recollection do not exist.

[24] The appellant presented the same evidence in the appeal that was the subject of Order MO-3362-F. In that order, the appellant claimed that records documenting the city's decision to go ahead with the proposed restaurant should exist and I found:

In my view, the appellant's evidence suggests that before the city made its decision to proceed with its purchase and restoration of the old post office building, it reviewed records or business plans regarding the advisability of the proposed project. However, there is insufficient evidence to suggest that the same type of documentation regarding the proposed restaurant should also exist. A copy of the purchase agreement

is not one of the records at issue in this appeal and thus I was not provided a copy. However, based on the submissions of both parties there appears no dispute that the agreement contains a term which gives the former owner a right to operate a restaurant in the renovated library. In my view, the existence of this term on its own does not provide sufficient evidence that the city reviewed background documents regarding the advisability of adding this term to the purchase agreement.

- [25] I have reviewed the appellant's submissions and adopt the same reasoning I applied in Order MO-3362-F. In my view, the appellant has failed to establish a reasonable basis for concluding that additional records predating the RFP about the restaurant should exist in the library's record holdings.
- [26] Accordingly, this order will not address the issue of whether or not the library conducted a reasonable search for these records.

ISSUES:

- A. Does the discretionary exemption at section 6(1)(b) apply to the preliminary report?
- B. Does the mandatory third party information exemption at section 10(1) apply to the feasibility report?
- C. Does the discretionary exemption at section 11(a) apply to the feasibility report?

DISCUSSION:

A. Does the discretionary exemption at section 6(1)(b) apply to the preliminary report?

[27] Section 6(1)(b) reads:

A head may refuse to disclose a record,

that reveals the substance of deliberations of a meeting of a council, board, commission or other body or a committee of one of them if a statute authorizes holding that meeting in the absence of the public.

- [28] For this exemption to apply, the institution must establish that
 - 1. a council, board, commission or other body, or a committee of one of them, held a meeting
 - 2. a statute authorizes the holding of the meeting in the absence of the public, and

- 3. disclosure of the record would reveal the actual substance of the deliberations of the meeting⁷
- [29] Section 6(1)(b) is not intended to protect records merely because they refer to matters discussed at a closed meeting. For example, it has been found not to apply to the names of individuals attending meetings, and the dates, times and locations of meetings.⁸

Parts 1 and 2 – council held a meeting authorized by statute to be held in the absence of the public

- [30] The first and second parts of the test for exemption under section 6(1)(b) require the institution to establish that a meeting was held by the institution and that it was properly held in camera.⁹
- [31] The library submits that it held a closed meeting on May 23, 2012 in accordance with section 16.1(4)(c) of the *Public Libraries Act*, which states:
 - (4) A meeting or part of a meeting may be closed to the public if the subject matter being considered is,
 - (c) a proposed or pending acquisition or disposition of land by the board;
- [32] The library advises that the preliminary report was the only item discussed at the meeting on May 23, 2012, which was closed to address a "confidential property matter". The library states:

The analysis and documentation on the pros and cons of expanding the current Queen's Square location vs expanding to the Post Office location was included in the Preliminary Report – The Old Galt Post Office Redevelopment Proposal. This preliminary report was considered in camera by the Library Board and never discussed in a meeting opened to the public.

[33] The appellant responded:

...it was the [City of Cambridge] and not the library board who was deliberating the acquisition. There was no proposed or pending acquisition of land by the *board*. As the Library as previously stated – they are and will continue to be a separate Board of the City and would be a tenant occupying city-owned space, rent free.

[Emphasis in Original]

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⁷ Orders M-64, M-102 and MO-1248.

⁸ Order MO-1344.

⁹ Order M-102

[34] Having regard to the representations of the parties, I am satisfied that the May 23, 2012 closed meeting discussed the preliminary report. I am also satisfied that that the meeting was authorized by section 16.1(4)(c) of the *Public Libraries Act* to be held in the absence of the public. In my view, the fact that city ultimately purchased the land in question and approved the proposed post office project does not impact the library's ability to meet in a closed session to discuss matters relating to the project.

[35] Accordingly, I find that parts 1 and 2 of the three-part test have been met.

Part 3 – disclosure of the record would reveal the actual substance of the deliberations of the meeting

[36] With respect to the third requirement set out above, the wording of the provision and previous decisions of this office make it clear that in order to qualify for exemption under section 6(1)(b), there must be more than merely the authority to hold a meeting in the absence of the public. Section 6(1)(b) of the *Act* specifically requires that disclosure of the record would reveal the actual substance of deliberations which took place at the institution's *in camera* meeting, not merely the subject of the deliberations. ¹⁰

[37] Previous orders have found that:

- "deliberations" refer to discussions conducted with a view towards making a decision;¹¹ and
- "substance" generally means more than just the subject of the meeting. 12

[38] The library takes the position that disclosure of the preliminary report would reveal the actual substance of the deliberations which took place at the closed meeting in question. In support of this position, the library states:

A vote was taken at the closed meeting ... The vote gave direction to an employee of the board (the head) to pursue a confidential property matter.

[39] In its reply representations, the library also stated:

[The preliminary report] was presented for deliberation by the Library Board and the report addressed the specific details of a potential confidential property acquisition. The closed meeting focused on the record that contained the substance of deliberations of a meeting of the Library Board in accordance with the *Public Libraries Act*.

[40] The library also provided copies of the minutes from the closed session.

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¹⁰ Orders MO-1344, MO-2389 and MO-2499-I.

¹¹ Order M-184.

¹² Orders M-703 and MO-1344.

- [41] I have reviewed the library's representations along with the meeting minutes and am not satisfied that disclosure of the Preliminary Report would reveal the substance of the library board's deliberations at the closed session. Though the Preliminary Report identified pros and cons between the two proposed expansions, it does not contain information which would reveal the actual considerations, debates or decisions that were deliberated on by the board.
- [42] Accordingly, I find that part 3 of the three-part test has not been met and the exemption under section 6(1)(b) can not apply to the preliminary report. As the library no longer claims that the preliminary report also qualifies for exemption under section 11(f) (economic and other interests), I will order the library to disclose this record to the appellant.

B. Does the mandatory third party information exemption at section 10(1) apply to the feasibility report?

[43] The library takes the position that the feasibility report qualifies for the third party information exemption under section 10(1)(a). This section states:

A head shall refuse to disclose a record that reveals a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence implicitly or explicitly, if the disclosure could reasonably be expected to,

- (a) prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization
- [44] Section 10(1) is designed to protect the confidential "informational assets" of businesses or other organizations that provide information to government institutions. ¹³ Although one of the central purposes of the *Act* is to shed light on the operations of government, section 10(1) serves to limit disclosure of confidential information of third parties that could be exploited by a competitor in the marketplace. ¹⁴
- [45] For section 10(1) to apply, the institution and/or the third party must satisfy each part of the following three-part test:
 - 1. the record must reveal information that is a trade secret or scientific, technical, commercial, financial or labour relations information; and
 - 2. the information must have been supplied to the institution in confidence, either implicitly or explicitly; and

¹³ Boeing Co. v. Ontario (Ministry of Economic Development and Trade), [2005] O.J. No. 2851 (Div. Ct.)], leave to appeal dismissed, Doc. M32858 (C.A.) (Boeing Co.).

¹⁴ Orders PO-1805, PO-2018, PO-2184 and MO-1706.

- 3. the prospect of disclosure of the record must give rise to a reasonable expectation that one of the harms specified in paragraph (a), (b), (c) and/or (d) of section 10(1) will occur.
- [46] As noted above, the third party has no objections about a copy of the feasibility report being provided to the appellant. In its representations, the third party states:

This record was prepared by our Office under contract with a public agency with the expectation that it would be made available to the public.

Part 1: type of information

[47] The library takes the position that the feasibility report contains technical information and that the "copyright resides with the architectural firm". Based on the content of the report, I am satisfied that it contains technical information. ¹⁵ The report was prepared by an architectural firm and contains schematic designs and cost estimates.

[48] Accordingly, I find that the first part of the three-part test has been met.

Part 2: supplied in confidence

[49] The requirement that the information was "supplied" to the institution reflects the purpose in section 10(1) of protecting the informational assets of third parties. ¹⁶ Information may qualify as "supplied" if it was directly supplied to an institution by a third party, or where its disclosure would reveal or permit the drawing of accurate inferences with respect to information supplied by a third party. ¹⁷

- [50] There is no dispute between the parties that the feasibility report was prepared by the third party and provided to the library. Accordingly, the dispute here is whether the third party supplied the report to the library "in confidence".
- [51] In order to satisfy the "in confidence" component of part two, the parties resisting disclosure must establish that the supplier of the information had a reasonable expectation of confidentiality, implicit or explicit, at the time the information was provided. This expectation must have an objective basis.¹⁸

[52] The library states:

As stipulated in the contract between the Library Board and the architectural firm, "Plans, sketches, drawings, graphic representations, reports and specifications prepared by or on behalf of the architect are

¹⁵ Technical information has been in defined in prior orders as: "information belonging to an organized field of knowledge that would fall under the general categories of applied sciences or mechanical arts. Examples of these fields include architecture, engineering or electronics". [Order PO-2010) ¹⁶ Order MO-1706.

¹⁷ Orders PO-2020 and PO-2043.

¹⁸ Order PO-2020.

Instruments of Service. The Architect retains the property, copyright and moral rights for the Instruments of Services whether the Project for which they were made is executed or not".

- [53] However, as noted above, the third party advises that it had no expectation of confidentiality and in fact, expected that the report would be made available to the public.
- [54] Having regard to the submissions of the library and the third party, I find that the feasibility report can not be said to have been supplied in confidence to the library. Accordingly, the second part of the three-part test for the third party information exemption under section 10(1) has not been met.
- [55] I will go on to determine the third part of the three-part test under section 10(1) for the sake of completeness.

Part 3: harms

- [56] The party resisting disclosure must provide detailed and convincing evidence about the potential for harm. It must demonstrate a risk of harm that is well beyond the merely possible or speculative although it need not prove that disclosure will in fact result in such harm. How much and what kind of evidence is needed will depend on the type of issue and seriousness of the consequences.¹⁹
- [57] The failure of a party resisting disclosure to provide detailed and convincing evidence will not necessarily defeat the claim for exemption where harm can be inferred from the surrounding circumstances. However, parties should not assume that the harms under section 10(1) are self-evident or can be proven simply by repeating the description of harms in the Act.
- [58] The library submits that disclosure of the feasibility report would give rise to the harms contemplated in section 10(1)(a). This section states:

A head shall refuse to disclose a record that reveals a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence implicitly or explicitly, if the disclosure could reasonably be expected to,

- (a) prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization
- [59] The library's position that disclosure of the feasibility report would give rise to the harms contemplated in section 10(1)(a) lacks substance given the fact that the third

¹⁹ Ontario (Community Safety and Correctional Services) v. Ontario (Information and Privacy Commissioner), 2014 SCC 31 (CanLII) at paras. 52-4.
²⁰ Order PO-2435.

party has no objection to the record being released to the appellant or made available to the public. In addition, throughout its submissions the library takes the position that the contents of the record contain the third party's propriety information.

- [60] In my view, the library's submissions failed to adduce sufficient evidence in support of the harms contemplated in section 10(1)(a). Accordingly, I find that the third-part of the three-part test under section 10(1) has also not been met.
- [61] As stated above, all parts of the three-part test under section 10(1) must be met for the third party information exemption to apply. In this order, I found that only the first-part of test was met. Accordingly, I find that the feasibility report does not qualify for exemption under section 10(1)(a).
- [62] I will go on to determine whether the feasibility report qualifies for exemption under section 11(a).

C. Does the discretionary exemption at section 11(a) apply to the feasibility report?

[63] The library takes the position that the feasibility report qualifies for exemption under section 11(a). This section states:

A head may refuse to disclose a record that contains,

- (a) trade secrets or financial, commercial, scientific or technical information that belongs to an institution and has monetary value or potential monetary value
- [64] The purpose of section 11 is to protect certain economic interests of institutions. Generally, it is intended to exempt commercially valuable information of institutions to the same extent that similar information of non-governmental organizations is protected under the Act.²¹
- [65] For section 11(a) to apply, the institution must show that the information:
 - 1. is a trade secret, or financial, commercial, scientific or technical information;
 - 2. belongs to an institution; and
 - 3. has monetary value or potential monetary value.
- [66] The library takes the position that the feasibility report contains financial and technical information. The library states that the information in the report has "...potential monetary value as it includes estimates, drawings and professional reports that a competitor could use if the record was released".

²¹ Public Government for Private People: The Report of the Commission on Freedom of Information and Individual Privacy 1980, vol. 2 (the Williams Commission Report) Toronto: Queen's Printer, 1980.

- [67] Even if I was persuaded that the feasibility report contains financial and technical information which had a monetary value, thus meeting parts 1 and 3 of the three-part test under section 11(a), the library's submissions themselves reveal that the information at issue belongs to the architectural firm. The library consistently refers to the information contained in the feasibility report in its representations and reply representations as the proprietary information of the third party.
- [68] Part 3 of the test under section 11(a) requires that the information at issue "belong to" the institution. For this to occur in the circumstances of this appeal, the library must have some proprietary interest in it either in a traditional intellectual property sense such as copyright, trade mark, patent or industrial design or in the sense that the law would recognize a substantial interest in protecting the information from misappropriation by another party.
- [69] Examples of information belonging to an institution are trade secrets, business-to-business mailing lists, ²² customer or supplier lists, price lists, or other types of confidential business information. In each of these examples, there is an inherent monetary value in the information to the organization resulting from the expenditure of money or the application of skill and effort to develop the information. If, in addition, the information is consistently treated in a confidential manner, and it derives its value to the organization from not being generally known, the confidential business information will be protected from misappropriation by others. ²³
- [70] The library does not submit that the feasibility report contains information which belongs to it. Instead, library states:

Releasing the Feasibility Report that contains conceptual drawings that were never developed, preliminary costings that are now out of date and produced by an architectural firm that is not involved in the project, simply does not make sense. The report findings are no longer valid as the stakeholders, companies, and consultants have since changed. It is not up to the appellant to take it upon herself to decide whether a report should be accessible by the general public.

[71] As all three parts of the test under section 11(a) must be met, I find that the feasibility report does not qualify for exemption under section 11(a). As the library has not claimed that other exemptions apply to this information, I will order the library to disclose this record to the appellant.

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²² Order P-636.

²³ Order PO-1736, upheld on judicial review in *Ontario Lottery and Gaming Corporation v. Ontario (Information and Privacy Commissioner)*, [2001] O.J. No. 2552 (Div. Ct.); see also Orders PO-1805, PO-2226 and PO-2632.

ORDER:

- 1. I order the library to provide a copy of the preliminary report and feasibility report to the appellant by **August 8, 2017** but **not** before **August 1, 2017**.
- 2. In order to verify compliance with order provision 1, I reserve the right to require a copy of the records disclosed by the library to the appellant to be provided to me.

Original Signed By:	June 30, 2017
Jennifer James	
Adjudicator	