



Design Services Funding Agreement: St. James Town Public Realm and Open Space Plan

Item 2E

April 27, 2021

Board of Directors

Report: TCHC:2021-14

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee
 (“BIFAC”)

Date: March 11, 2021

PURPOSE:

The purpose of this report is to seek the Board’s approval to execute a Design Services Funding Agreement with the City of Toronto (“City”), for the St. James Town Public Realm and Open Space Plan (the “Plan”).

The Plan is a partnership between the City and Toronto Community Housing Corporation (“TCHC”) to renew underused open space in the St. James Town neighbourhood by enhancing the public realm, improving pedestrian connections and creating a City-run park.

Board approval is required as execution of the Design Services Funding Agreement is contingent upon approving major terms of a lease agreement, which will provide, to the City, a portion of TCHC’s property to operate, maintain and manage as a City park.

RECOMMENDATIONS:

It is recommended that the Board approve the following recommendations:

1. Authorize TCHC to execute a Design Services Funding Agreement for landscaping design services for Phases 1, 2, 3 and 4 of the St. James Town Connects Framework, Key Project #2, TCHC Open Space Plan/Ontario Street South, as approved by City Council in July 2018;
2. Authorize TCHC to execute a lease agreement with the City of Toronto for the operation, maintenance and management of a City park on the following terms:
 - Leased premises consists of the surface area of Phases 1 and 2 of the St. James Town Public Realm and Open Space Plan, which is adjacent to 275 Bleecker Street and 200 Wellesley Street East;
 - Term shall be 50 years less a day; and
 - Rent shall be nil, provided the City of Toronto shall pay all operating, maintenance and repair costs;
3. Authorize the Vice President of Facilities Management, or his designate, to take the necessary actions and execute all necessary documents to give effect to the above recommendations, including the Design Services Funding Agreement and lease agreement in a form acceptable to the General Counsel.

BIFAC

This report was approved by the BIFAC on March 11, 2021.

REASONS FOR RECOMMENDATIONS:Project Background

In July 2018, City Council approved the St. James Town Connects Framework, which aims to “improve St. James Town’s public realm and open space by creating safer, greener and more usable open spaces and pedestrian connections” (City Report TE34.90). The Public Realm and Open Space Plan is one of the key projects included in this Framework.

The concept for this project is to rehabilitate the open space and create a City park, shown as Phases 1, 2, 3 and 4 in the attached concept design and phasing plan (Attachment 1).

The proposed City park will include a natural play space, a water play area, an open stage, a barbeque area, large open lawn, games tables, community gardens and a market area. The main features of the park were determined in partnership with the City's Parks, Forestry and Recreation division and Councillor Wong-Tam, and in consultation with TCHC tenants and the wider St. James Town community.

TCHC will execute design and construction, in partnership with the City. Landscaping of the open space will be undertaken in conjunction with a TCHC project to restore the underground parking garage at 275 Bleeker Street, directly below Phases 1 and 2. The restoration of the underground parking garage is slated for construction in 2023.

The City has proposed the transfer of a total of \$5,130,000.00 to TCHC for design and construction services over the next three years. To date, the City has only approved the transfer of \$515,000.00 in 2021 for design costs, and is expected to authorize the transfer of the remaining funds within the next one to two years. The funding breakdown as proposed by the City is as follows:

- \$515,000.00 in 2021 for design;
- \$615,000.00 in 2022 for design and construction contract administration; and
- \$4,000,000.00 in 2023 for construction.

TCHC has committed \$120,000.00 in design costs and \$1,100,000.00 in construction costs for improvements that are outside the leasing boundary

Design Services Funding Agreement

In December 2020, City Council approved the execution of a Design Services Funding Agreement with TCHC, for \$515,000.00 as a contribution for the landscaping design costs for the project (City Report TE21.62). City Council's approval to execute the agreement requires that TCHC agree to major terms of the lease for the surface area of Phases 1 and 2 of the St. James Town Public Realm and Open Space Plan.

TCHC has issued and will oversee the Request for Proposal for the design, and approvals to award the work to the successful consultant, and will follow TCHC's Procurement Policies and Protocols.

Construction Funding Agreement (future)

The City has not yet authorized the payments of \$615,000.00 or \$4,000,000.00 referred to above. When the City authorizes such payments, as expected in the next one to two years, TCHC will seek Board authorization to enter into a Construction Funding Agreement with the City to transfer the balance of the funds for project construction costs.

TCHC will issue and oversee the Request for Proposal for the construction contractor, and approvals to award the work to the successful proponent will follow TCHC's Procurement Policies and Protocols.

Lease

The lease agreement will be prepared in accordance with the major terms of the lease agreement, as attached to the Design Services Funding Agreement, in form acceptable to TCHC's General Counsel. The lease agreement will be executed upon completion of project construction.

IMPLICATIONS AND RISKS:

The Design Services Funding Agreement does not require the City to contribute to cost overruns for design services, however TCHC will require that the agreement include a provision that the City consider TCHC's requests to approve amounts for cost overruns. In the event that such approval is not granted, TCHC will require that the agreement include a provision that TCHC is not obligated to continue the design work, beyond both the City's and TCHC's initial contributions.

Upon execution of the lease, the City will take control of the surface area of Phases 1 and 2, as these will become a public park. The boundary of the lease will stop short of the buildings, leaving TCHC with control over the sidewalks adjacent to its buildings, with access rights over the park for repairs and maintenance of the adjacent building and parking garage below.

Beyond significant funding, this project is an opportunity to collaborate with the City on an important piece of City building. This partnership project will transform an under-used asset into a reinvigorated, large-scale public park that will improve the quality of life for TCHC tenants and the wider St. James Town community. Rehabilitating the public realm, establishing community spaces and creating pedestrian connections will facilitate a safer, greener and more livable neighbourhood and vibrant community.

SIGNATURE:

“Allen Murray”

Allen Murray,
Vice President, Facilities Management

ATTACHMENT:

1. St. James Town Public Realm and Open Space Plan: Concept Design and Phasing Plan

STAFF CONTACT:

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