



November 24, 2011

Maria Crawford, Executive Director  
Eva's Initiatives  
215 Spadina Avenue  
Suite 370  
Toronto, ON M5T 2C7

Dear Maria,

As you are aware over the last few weeks we have been negotiating in accordance with the instructions from the City Government Management Committee to establish terms in order to relocate Eva's Phoenix to a new location that would be satisfactory to you. This would permit the City to realize the myriad of economic benefits that the redevelopment of the lands currently occupied by Eva's would provide, while at the same time providing an acceptable location with a new long-term facility that would permit Eva's to continue with its important mission.

We are pleased to put forward this proposal to you which we trust, based on our discussions, you would find agreeable. This proposal can be summarized as follows:

1. We understand that Eva's has identified the property known municipally as 505 Richmond Street West as a location that would be an excellent choice to relocate Eva's. More particularly, the property is generally identified as Building "D" on the attached site plan. In order to accommodate the relocation to this site, Build Toronto will be working with the City Real Estate Services to have a report go to the November 29<sup>th</sup> and 30<sup>th</sup> Council Meeting to have the property declared surplus based on the understanding that Build Toronto and the City would then work out an appropriate lease arrangement as set out below to accommodate Eva's.
2. Eva's shall have a period of 90 days and Build Toronto shall have 45 days from the execution of this letter to conduct due diligence. Eva's requires its due diligence to ensure that the new location is acceptable to it from a zoning and building perspective and Build Toronto requires its due diligence to determine that the redevelopment of the current location of Eva's is achievable.

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Build Toronto Inc., 200 King Street West, Suite 200, Toronto, ON M5H 3T4  
T: 416 981-3889 F: 416 981-3800 [www.builttoronto.ca](http://www.builttoronto.ca)

3. Provided that the City is satisfied that the Richmond Property is appropriate to lease to Eva's, and subject to Eva's being satisfied with its due diligence, the parties shall work cooperatively to arrange a lease of the Richmond Property for a minimum of 20 years with a rent of \$1.00 per year plus operating costs. Eva's would prefer obtaining, in addition to the initial term, four 5-year options to renew; and Eva's and the City may negotiate such additional term as may be appropriate. Eva's understands that the remainder of 505 Richmond St. West may be redeveloped by Build Toronto, subject to all applicable planning, heritage and other approvals.
4. In the event that City Council does not approve of the Richmond Property identified above, or if Eva's is not satisfied with its due diligence, then Build will agree to sell a property municipally known as 2 Bicknell Avenue and will use the revenue received from the sale to find another acceptable location for the City to purchase and then lease to Eva's on the same terms and conditions as above. It is understood that the proposed sale will provide a minimum value of \$2,250,000.
5. The Build Toronto and Whitecastle New Urban Fund Joint Venture have determined to put their best foot forward and will make a cash contribution of \$5,000,000 to Eva's Initiatives to fund the costs of constructing a relocated Eva's Phoenix on the Richmond Property or an alternative property. The contribution would be paid as-needed in the form of construction draws, to cover due diligence, soft and hard costs. Eva's will be responsible for fundraising to cover any additional costs of construction or relocation.
6. Eva's shall be entitled to remain in its current premises until the expiry of its current lease on September 1<sup>st</sup>, 2014, notwithstanding any early termination provision in the lease. Eva's may leave the premises in an "as is", broom swept condition, and may remove any fixtures or equipment. If a replacement facility is available prior to the expiry of the lease, Eva's may move at any time. Should a replacement facility not be ready for occupancy by Eva's on September 1<sup>st</sup>, 2014, Eva's would have two options to extend its tenancy for six months each, provided Eva's has been working diligently in constructing a replacement facility.

The proposal in this letter is conditional on the following:

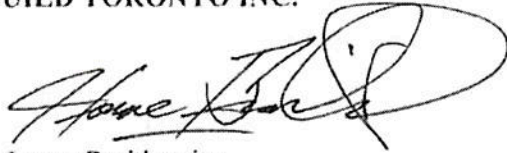
- a) Build Toronto is satisfied with its due diligence on the current location of Eva's; and
- b) The City declaring the Ordnance and Strachan Properties surplus for transfer to Build Toronto at its meeting on November 29<sup>th</sup> and 30<sup>th</sup>, 2012.

In exchange for the considerations and commitments listed above, Eva's will support the transfer of both the Ordnance and Richmond properties to Build Toronto when the matter is before City Council, and Eva's, Build Toronto and the City shall work cooperatively in planning and completing a smooth relocation process for Eva's Phoenix.

If these terms are acceptable, we ask that you acknowledge by signing this letter and returning it to the undersigned, after which the terms set out in this letter shall form the basis for a more complete agreement.

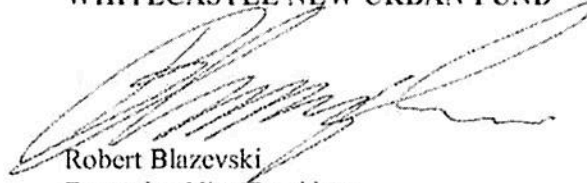
Sincerely,

**BUILD TORONTO INC.**



J. Lorne Braithwaite  
President and Chief Executive Officer

**WHITECASTLE NEW URBAN FUND**



Robert Blazeovski  
Executive Vice-President

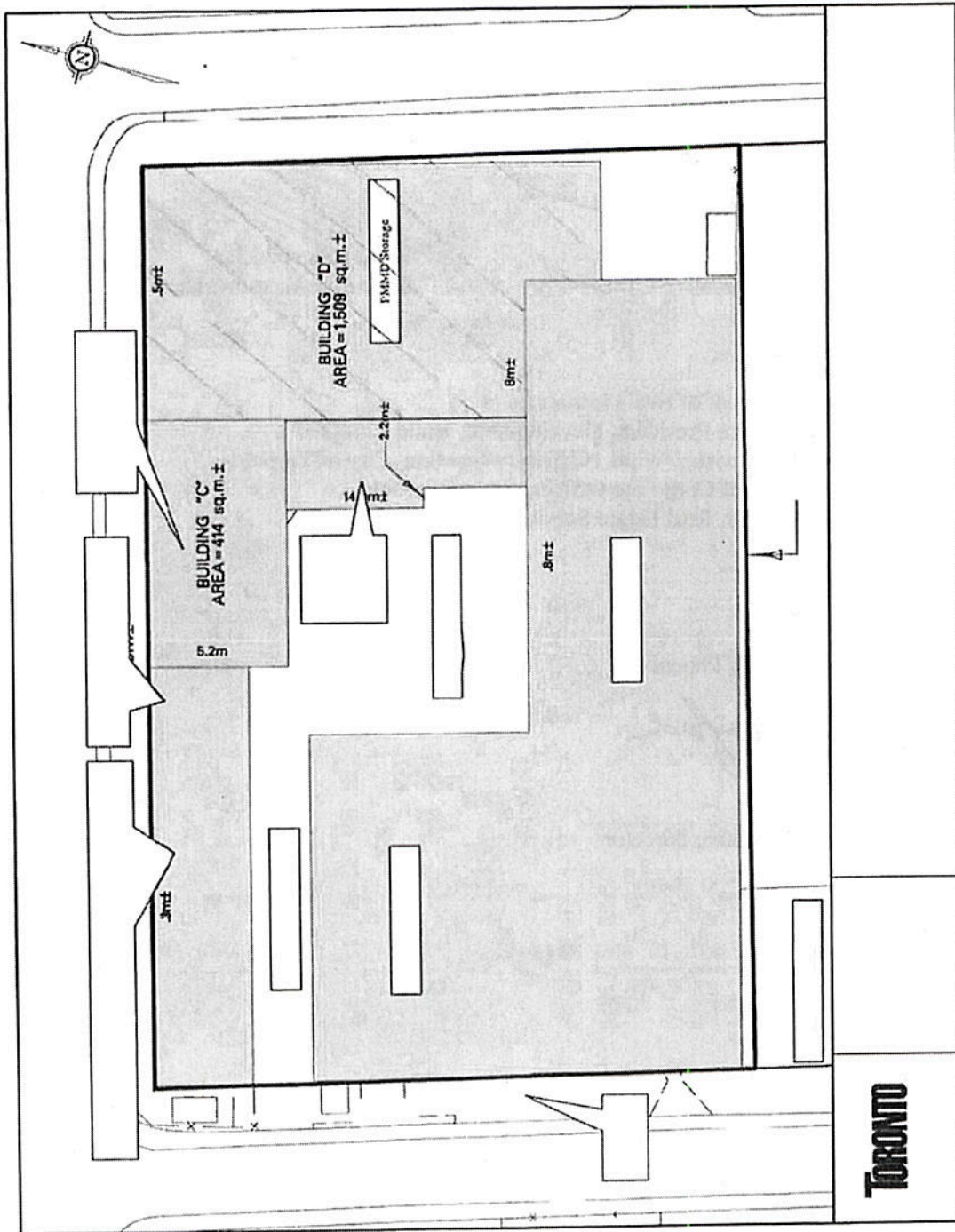
cc: Rob Myers, President of Eva's Initiatives  
Prakash David, Vice President, Development, Build Toronto  
Councillor Mike Layton, Ward 19, Trinity/Spadina, City of Toronto  
Bruce Bowes, Chief Corporate Officer, City of Toronto  
Joe Casali, Director, Real Estate Services, City of Toronto

Eva's Initiatives / Eva's Phoenix



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Maria Crawford, Executive Director

November 24, 2011 \_\_\_\_\_  
Date



**Toronto**

GROWTH  
VALUE  
RESULTS