

Project Update on the Redevelopment of St. Lawrence Market North – improvements to public access to justice and workplace modernization

Date: April 12, 2021

To: General Government and Licensing Committee

From: Executive Director, Corporate Real Estate Management, and Chief Procurement Officer

Wards: Ward 13 - Toronto Centre

SUMMARY

This report provides General Government and Licensing Committee with a project update on the redevelopment of St. Lawrence Market North, the project design and construction, and informs the Committee of changes to the design of the facility, stemming from new operational requirements identified by Court Services. The change will provide the public with more timely access to justice and improve court capacity for the more serious provincial offences charges filed with the Court. As such, the revisited design improves Court Services ability to support in-person, virtual and hybrid court proceedings and is consistent with the Provincial Offences court system modernization and access to justice principles. The proposed changes include, a new Case Management Courtroom, further virtualization of Court proceedings in accordance with orders from the Ontario Court of Justice, and Toronto Police Service information and technology requirements. At the same time, the revisited design incorporates the latest workplace modernization principles.

At this time, Corporate Real Estate Management requires authority to amend the existing design contract with Adamson Associates Architects in order to complete the necessary design changes, and to determine the implementation cost of the requested changes. Once the costs to implement the new design requirements have been determined, Corporate Real Estate Management will report back to the General Government and Licensing Committee in 2022 to request authority to amend the construction contract with Buttcon Limited / Atlas Corporation Joint Venture.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management, and the Chief Procurement Officer, recommend that:

1. The General Government and Licensing Committee, in accordance with Section 71-11.1.1.C of the City of Toronto Municipal Code (Financial Control By-law), grant authority to amend Purchase Order number 6034062, issued to Adamson Associates Architects to provide professional architectural services, in the additional amount of up to \$357,772 net of all taxes and charges (\$364,068 net of Harmonized Sales Tax recoveries), increasing the current value from \$5,820,142 (\$5,922,576 net of Harmonized Sales Tax recoveries) to \$6,177,914 net of all taxes and charges (\$6,286,645 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

Contract Amendment:

Funding for the requested amendment is available within the existing approved budget of \$118.8 million for the St. Lawrence Market Redevelopment Project (Work Breakdown Structure element CCA193-01) in the 2021 - 2030 Council-Approved Capital Budget and Plan for Corporate Real Estate Management.

Total Project Cost and Current Estimate:

Through Council approval of the 2021 -2030 Capital Budget and Plan for Corporate Real Estate Management, an additional \$2.5 million funded through the Provincial Offences Courts Stabilization Reserve (XQ0704) was added to the St. Lawrence Market North project budget. This incremental funding was added to incorporate additional scope within the established design including a new Case Management Courtroom, additional Toronto Police Services information and technology needs, and workplace modernization requirements.

The St. Lawrence Market North Redevelopment Project remains within the current approved budget of \$118.8 million and funding is available within the approved 2021 – 2030 Capital Budget and Plan for Corporate Real Estate Management.

Future cash flows based on these estimates, and a comparison to the current approved plan, is outlined in table 1 (below):

Table 1: St. Lawrence Market North redevelopment cash flow estimate and plan (in thousands)

	Life to date actuals (Dec 31, 2020)	2020 carry forward to 2021	2021	2022	Total
Total project cost included in 2021-2030 Capital Budget and Plan	\$37,408	\$7,553	\$38,000	\$33,340	\$116,302
Additional Scope included in 2021-2030 Capital Budget and Plan	\$0	\$0	\$1,441	\$1,078	\$2,519
Total revised project cash flows	\$37,408	\$7,553	\$39,441	\$34,418	\$118,821

In 2020, \$16.7 million of the approved 2020 cash flow of \$24.2 million was spent. The balance of \$7.6 million has been carried forward to the 2021 budget to continue the delivery of the project.

Financing Sources:

The Council approved budget and financing plan for the St. Lawrence Market North Redevelopment project is outlined in table 2 (below):

Table 2: St. Lawrence Market North Redevelopment Funding Sources (in millions)

Funding Source	Amount
Recoverable debt	\$39.7
Contribution from Toronto Parking Authority for underground garage	\$14.0
Capital Financing Reserve	\$15.0
Court Services stabilization reserve	\$6.9
Development charges	\$5.0
Section 37, 42, 45 funds	\$3.0
Debt funding	\$35.2
Total	\$118.8

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

At its meeting on February 18, 2021, City Council approved the 2021-2030 Capital Budget and Plan for Corporate Real Estate Management including a project budget increase in the amount of \$2.519 million, increasing the total project budget to \$118.821 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX21.2>

At its meeting on May 14, 2019, City Council granted authority to award Tender Call No. 319-2018, a retender for the construction of the new St. Lawrence Market North Building, to Buttcon Limited / Atlas Corporation Joint Venture. City Council also approved a project budget increase in the amount of \$13.959 million, increasing the total project budget to \$116.302 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.GL4.7>

At its meeting on February 20, 2018 Government Management Committee granted authority to award Tender Call No.85-2017, for the construction of the new St. Lawrence Market North Building, to Bondfield Construction Company Limited.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM25.11>

At its meeting of February 12, 2018 City Council approved the 2018 Capital Budget and 2018-2027 Capital Plan for the construction of the new St. Lawrence Market North Building, including an increase to the total project cost from \$91.5 million to \$102.3 million, requiring additional debt funding and an increase to Facilities, Real Estate, and Environment & Energy (FREEE)'s 2018 – 2027 Capital Budget and Plan for new St. Lawrence Market North Building in the amount of \$10.9 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX31.2>

<http://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/backgroundfile-111952.pdf>

At its meeting on September 25, 2017 Government Management Committee received a report for information to provide information on the additional project funding required for the North St. Lawrence Market project for design and construction services to accommodate the inclusion of a section of the 1831 central drain archaeological resource found on the site for public viewing and interpretation.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.GM22.13>

At its meeting on February 3 and 4, 2016, City Council directed staff to proceed with Phase 2, Demolition of the existing North Market Building at 92 Front Street, of the Redevelopment of St. Lawrence Market North project, including demolition of the existing building and archaeological assessment of the site in advance of new construction.

<http://www.toronto.ca/legdocs/mmis/2016/gm/bgrd/backgroundfile-86763.pdf>

At its meeting on July 16, 17, 18 and 19, 2013, City Council adopted a revised financing plan, including additional funding of \$15.293 million, and directed staff to proceed with the Design Development and Bid Document stages for the new St. Lawrence Market North Building. The report can be found through the following hyperlink:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM23.6>

At its meeting on July 6, 7, 8, 2010, City Council endorsed the winning design from the international St. Lawrence Market North Design Competition and authorized City staff to enter into an agreement with the successful proponent for the provision of architectural services for the new St. Lawrence Market North Building.

<http://www.toronto.ca/legdocs/mmis/2010/ex/bgrd/backgroundfile-31365.pdf>

At its meeting on December 10, 2008, City Council endorsed the strategy to redevelop the St. Lawrence Market North property with a multi-story building, including a ground floor Market Hall, Court Services' court rooms and administrative offices, and a 250-space below grade parking garage. The decision also authorized a international design competition to select an architect for the redevelopment.

<http://www.toronto.ca/legdocs/mmis/2008/bu/bgrd/backgroundfile-17440.pdf>

At its meeting on September 25, 26, 27 2006, City Council directed City staff to provide a business plan for the redevelopment of the North Market building.

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060925/adm6rpt/cl022.pdf>

At its meeting on June 27, 28, 29 2006, City Council directed City staff to investigate a number of technical matters with the redevelopment, including parking access/accommodations and Court Services as a primary tenant.

<http://www.toronto.ca/legdocs/2006/agendas/committees/adm/adm060606/it020.pdf>

At its meeting on October 26, 27 and 28, 2004, City Council adopted development parameters for St. Lawrence Market North and endorsed a strategic vision statement for the St. Lawrence Market complex.

<http://www.toronto.ca/legdocs/2004/agendas/council/cc041026/adm8rpt/cl007.pdf>

At its meeting on June 24, 25 and 26, 2003 City Council established the St. Lawrence Market North Working Committee to determine planning and design guidelines for the redevelopment, as well as consultations with various stakeholders.

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030624/adm5rpt/cl024.pdf>

At its meeting on July 30, 31 and August 1, 2002, City Council approved, in principal, the concept of redeveloping the St. Lawrence Market North Building and directed City staff to study redevelopment options. The 2002 Council report includes a detailed history of the St. Lawrence Market complex.

<http://www.toronto.ca/legdocs/2002/agendas/council/cc020730/adm10rpt/cl014.pdf>

COMMENTS

Background

St. Lawrence Market North is under redevelopment. The City is investing in this historic landmark in its entirety so that the building is suitable for market and non-market uses, and to allow for the consolidation of Court Services' downtown operations. Once complete, the facility will house Court Services' head office, administrative and

operations offices, Justice of the Peace offices, City and Provincial prosecution offices, and 14 court rooms. Table 3 provides details how each floor of the new facility will be used.

Table 3: Floor by floor details of the new St. Lawrence Market Facility

Below Grade	250 parking spaces (operated by Toronto Parking Authority)
Floor 1 - Market Hall	Farmers Market, Commercial Events, Retail Café
Floor 2 - Mezzanine	Hospitality Use, Kitchen Incubators, Court Services Administrative Offices, Seniors Centre
Floor 3	Court Services Head Office, Operations and Administrative Offices and Police Services
Floor 4	Justice of the Peace offices, City and Provincial Prosecutions Offices, and five courtrooms
Floor 5	Nine Courtrooms
All	Five Storey Atrium

Phased Implementation

The St. Lawrence Market North Redevelopment Project is being implemented in three major phases, as follows:

Phase 1 Design and construction of a Temporary Market Building, at 125 The Esplanade, and client relocation. **Completed June 2015.**

Phase 2 Demolition of the existing North Market Building at 92 Front St. including archaeological assessment and environmental remediation of the site in advance of new construction. **Completed April 2017.**

Phase 3 Design, tender and construction of New North Market Building. The construction contract was awarded in May, 2019 to the Buttcon Limited / The Atlas Corporation Joint Venture. The consulting team is led by Adamson Associates Architects of Toronto, in association with Rogers Stirk Harbor + Partners of London, England. Construction progress to date includes completion of the building substructure and parking garage. Ongoing work includes the construction of the steel frame superstructure, curtain wall, and installation of mechanical and electrical, and interior finishes. While construction was originally scheduled to be complete by the third quarter of 2022, Corporate Real Estate Management expects that the completion date may be pushed back to accommodate design changes necessary to address the additional requirements outlined in this report. Staff will report back with an updated construction timeline in 2022 once design work on the proposed scope changes has been completed.

Revisited Requirements for Court Services

Corporate Real Estate Management has worked to revisit the layout to accommodate changes requested by Court Services. Over the course of the COVID-19 pandemic, Court Services supported the virtualization of Court proceedings for the City and the Province. Virtualization allowed the essential work of the judiciary could continue safely in accordance with orders from the Ontario Court of Justice.

The ability to support in-person, virtual, and hybrid court proceedings is consistent with Provincial Offences court system modernization and access to justice principles. This change will provide the public with more timely access to justice and improve court capacity for the most serious provincial offences charges filed with the Court. Without the changes to support a Case Management Courtroom aligned with the Court's directives, court capacity requirements to support the hearing of the most serious Provincial Offences charges will not be met.

To further support virtual court proceedings in the future, and ensure that the space remains flexible and incorporates the latest workplace modernization principles, design changes are required.

The change requests have resulted in a need to amend the contract with Adamson Associates Architects, the design consultant for the St. Lawrence Market North redevelopment. These include:

1. Changes to the courtroom layouts to accommodate a new Case Management Courtroom. This will be achieved by the consolidation of two existing standard size courtrooms into one large courtroom with changes to infrastructure and hardware to support in-person, virtual and hybrid court proceedings, as well as changes to the office space including the replacement of the existing furniture to meet new standards to enable a flexible and mobile workspace.
2. Changes to Toronto Police Services Information and Technology requirements, including network cabling and infrastructure.

Funding has been identified and added to the St. Lawrence Market North redevelopment budget through the 2021 budget process, as noted in the Financial Impact section above, to offset the incremental costs expected as a result of changes requested. The incremental funding required to incorporate the changes requested will be funded through the Provincial Offences Courts Stabilization Reserve, as these changes are expected to allow Courts to meet new requirements, including virtual court proceedings, and to remain flexible to quickly accommodate future changes to its operations in the most cost effective manner.

Report back on new scope changes in 2022

Corporate Real Estate Management will report back to General Government and Licensing Committee to request authority to amend the construction contract with Buttcon Limited / Atlas Corporation Joint Venture, once the costs to implement the new

design requirements have been determined. Corporate Real Estate Management expects that construction related cost increases will fit within the approved capital budget.

The overall project remains an important redevelopment initiative for the City and when completed, will transform the historical site into a modern public space that will service both residents and visitors alike.

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SIGNATURE

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