

Relocation of the Etobicoke Civic Centre - Project Update

Date: December 21, 2021

To: Board of Directors

From: Chief Executive Officer, CreateTO

Wards: 1, 2, 3, 5 & 7

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report contains financial information supplied in confidence to the Board of Directors of CreateTO, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

SUMMARY

The purpose of this report is to provide the Board of Directors of CreateTO (the "Board") with an update on the work completed for Phase Three of the Major Capital Project Approval Process (including planning approvals, detailed design, contract documents and tender). An update on the business plan, capital costs and the capital investment for construction of the new Etobicoke Civic Centre ("ECC") at 3755 Bloor Street West, Block 4 of the Bloor-Kipling (Six Points) is contained in Confidential Attachment 1.

The report continues to support the relocation of the existing, outdated ECC, at 399 The West Mall, to the newly created Housing Now Bloor-Kipling (Six Points) Area, a group of seven City-owned blocks that have been created through the decommissioning of the Six Points Interchange to support the development of Etobicoke Centre as a vibrant mixed-use, transit-oriented community. The new ECC is the cornerstone of realizing a complete community for the Housing Now Bloor-Kipling (Six Points) area. The co-location of community facilities and municipal governance, with direct access to public transit, will support a new mixed-use, mixed-income community of 2,500 plus residential units, informed by the Housing Now initiative.

The new ECC will also house the west district municipal offices which are required to support the City's strategic office optimization plan and the ModernTO initiative - a

Council-approved program to modernize the workplace and build infrastructure to support a mobile workforce.

The new ECC will achieve the following key city objectives:

- Replacement of a functionally obsolete and costly ECC facility at 399 The West Mall which does not meet the locational and space criteria for modernized civic centres established by the office optimization plan and ModernTO program;
- Relocation of municipal services to a transit-oriented site (the new Kipling Mobility Hub, a convergence of transit services with the terminus of the Line 2 TTC Subway, Kipling GO Station and Kipling bus terminal with TTC and Mississauga MiWay bus service) to support the mobility criteria for the office optimization plan, and improve access to services for residents, City staff and visitors, while reducing vehicle congestion and environmental impacts;
- Rationalization of the City's office portfolio with the collapsing of City office leases and relocation of city services to a modernized, primary city office assets with direct access to transit;
- Implementation of a District Energy Plant at ECC to service all seven development blocks; enabling the Housing Now Bloor-Kipling (Six Points) development to achieve near-zero and eventually zero carbon emissions, and a high level of resiliency in support of the City's Transform TO's climate action plan to reduce emission from buildings; and
- Development of new civic and community infrastructure, including a City-operated Community Recreation Centre with gymnasium and swimming pool, a Toronto Public Library, a child care centre, multi-purpose community rooms and a public square, to support the Housing Now initiative and the growth and development of the Etobicoke Centre, one of four urban centres identified in the City's Official Plan as a complete community.

The next steps will require approval of capital funding for ECC through the City's 2022 Budget process; completion of Contract Documents (September-July 2022); Tender (August - December 2022); and Tender approval by City Council (January/February 2023). Subject to City Council's approval of funding in the 2022 Capital Budget and tender award, construction is planned to commence in March 2023 with projected substantial completion March 2027, staff move-in, April-November 2027 and total occupancy December 2027.

RECOMMENDATIONS

The Chief Executive Officer recommends that the Board of Directors:

1. Authorize the public release of the information in Confidential Attachment 1 following the approval of the City's 2022 Capital Budget and at the discretion of the Chief Executive Officer, CreateTO.

FINANCIAL IMPACT

There is no financial impact to CreateTO arising out of the recommendation in this report. Capital costs are being reimbursed from the City's Corporate Real Estate Management (CREM) division and resources required to support this project are being allocated from the current staffing complement and are part of CreateTO's operating budget.

City Council's Capital Budgets for Facilities, Real Estate, Environment and Energy (2018-2021) approved a gross expenditure of \$36.8M to complete Phase 1 to 3 of the Major Capital Project Approval Process which includes: site investigations, program validation, schematic design, detailed design, contract documents and tender packages. A budget cash flow by year is outlined in Table 1.

Table 1: Phase 1-3 & Council Approved Capital Budget (\$millions)

YEAR	2018	2019-2020	2021	2022	TOTAL
APPROVED BUDGET	\$3.6	\$5.2	\$9.5	\$18.5	\$36.8
TASKS	-Program Validation -Schematic Design	-Design Development -City Planning Fees -Environmental Investigations & Approvals -Legal Fees	-Tier 4 Design - Schematic - Design & Design Development -City Planning Approvals -Public Art - Phase 1 Indigenous Artist Selection -Commence Contract Documents	-Complete Contract Documents -Site Plan/NOAC Approval -Tender Package -Legal Fees -Commissioning -Project Management Fees	

Please refer to confidential attachment 1 for additional details on the financial impacts and the business case.

DECISION HISTORY

On November 25, 2021, Planning and Housing Committee adopted Item PH29.4 containing a report entitled "Etobicoke Civic Centre - City-Initiated Zoning By-law Amendment Application - Final Report" which amended the City of Etobicoke Zoning Code and Zoning By-law 1088-2002 and City of Toronto Zoning By-law 569-2013 for the lands at 3755 Bloor Street West and the lands located south of Bloor Street West and west of Dundas Street in accordance with a draft Zoning By-law amendment to facilitate the design and construction of the new ECC. The Bills will be enacted by City Council at its meeting on December 15, 2021. The Planning and Housing decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH29.4>

On November 18, 2020, City Council adopted a report entitled "ModernTO - Workplace Modernization Program Business Case and Implementation Update," which increased targeted efficiencies for the ModernTO program, including a reduction of total office space by 1 million square feet and the total number of City office locations from 55 down to 15:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX18.2>

On October 29, 2019, City Council adopted Item EX9.2 containing a report entitled "ModernTO - City Wide Real Estate Strategy & Office Portfolio Optimization Strategy" which approved the rationalization of the City's office portfolio and a self-funding asset management strategy, to reduce capital and operating costs by \$30.5M/year; transform and modernize the office portfolio and workplace environment and modernize and invest in four primary office assets to create transit-oriented civic hubs for government administration at City Hall/Metro Hall; Scarborough Civic Centre; North York Civic Centre; and Etobicoke Civic Centre (at the Bloor-Kipling lands). The City Council decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX9.2>

On December 17 and 18, 2019, City Council adopted Item EX11.24 containing a report entitled "Relocation of the Etobicoke Civic Centre" which approved proceeding with Phase Three of the Major Capital Project Approval Process, including design development, contract documents and tender, in consultation with the Deputy City Manager, Corporate Services and direct the Deputy City Manager, Corporate Services, the Chief Financial Officer and Treasurer and CreateTO to review opportunities to address the projected capital funding gap through future year budget process and other funding strategies. The City Council decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX11.24>

On January 31, 2019, City Council adopted EX1.1, "Implementing the Housing Now Initiative". This report provided recommendations on the organizational structure and process to deliver the Housing Now initiative, the proposed affordable housing program, and the overall financial implications of the program. The City Council decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX1.1>

On December 13, 2018, City Council adopted item CC1.3 "Housing Now" which approved the activation of 11 City owned-sites for the development of affordable housing as part of creating mixed-income, mixed-use and transit-oriented communities. The five Bloor-Kipling development blocks and the Bloor-Islington lands were identified as two of the 11 sites with a tenure mix of one-third affordable rental; one-third market rental and one-third ownership. The City Council decision can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.3>

On November 7, 2017, City Council adopted item EX28.12, containing a report entitled "Update and Next Steps on the Potential Relocation of the Etobicoke Civic Centre", approving the selection of Adamson Associates Architects, Henning Larsen Architect's and PMA Landscape Architects as the winning submission of the ECC Design Competition and directed CreateTO, in consultation with City staff, to proceed with Phase Two of the Major Capital Project Approval process and report back to City Council on the results. The City Council decision can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX28.12>

On July 12-15, 2016 City Council adopted item EX16.22, containing a report entitled "Etobicoke Civic Centre Relocation", supporting the Westwood Theatre Lands ("WTL") (now the Bloor-Kipling-Six Points Area) as the preferred location for the relocated ECC. The report directed City staff to work with Build Toronto (now CreateTO) and carry out a design competition for a new ECC on the WTL; establish a building program to inform a design competition; undertake a feasibility and business case analysis for a new ECC at the WTL; examine costs and potential revenue/funding sources with the sale of three (3) City assets, and examine opportunities for affordable housing and report back to City Council with the results. The City decision can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.22>

COMMENTS

Background

Housing Now Bloor-Kipling (Six Points) Area

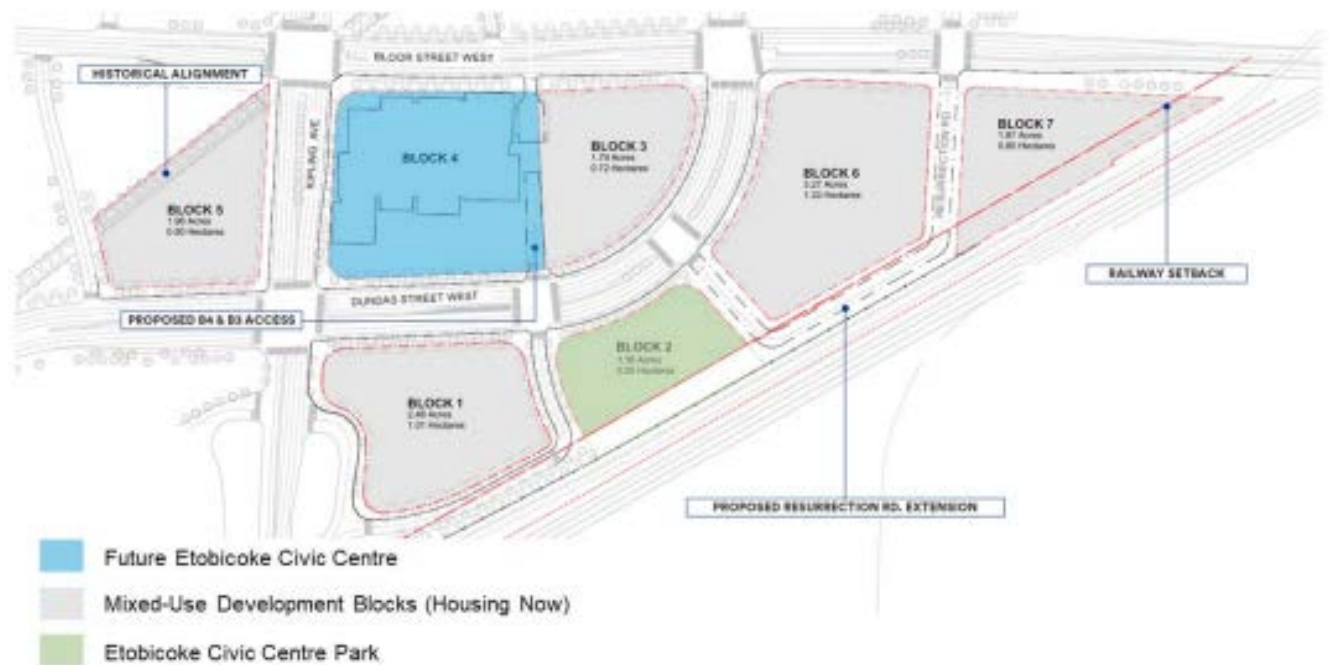
In 2016 City Council approved the relocation of the existing Etobicoke Civic Centre ("ECC") to City-owned lands at Bloor-Kipling (Six Points). The Bloor-Kipling (Six Points) Area includes a group of seven publically-owned blocks created through the decommissioning of the Six Points Interchange and City infrastructure investments to support the development of the Etobicoke Centre as a vibrant, mixed-use, transit-oriented, complete community. The seven blocks include the new ECC on Block 4, a prominent 3.4-acre parcel located at the intersection of Bloor Street and Kipling Avenue, five mixed-use development blocks, and a new 1.3 acre Etobicoke Centre Park (refer to Figure 1).

In 2017, City Council approved an international design competition to showcase design excellence in the development of a new civic centre, the first to be constructed in over 60 years. Over the past three years, the selected design team of Henning Larsen

Architects, Adamson Associate Architects and PMA Landscape Architects have led a participatory design process with key City stakeholders, which has informed the design of an iconic landmark building.

In December 2019, (through Item CC1.1 and EX1.1) City Council identified Bloor-Kipling and Bloor-Islington as two of 11 City-owned sites for the development of affordable housing with the intent of creating mixed-income, mixed-use, transit-oriented communities. Implementation of the affordable housing program through the Housing Now initiative at Bloor-Kipling and Bloor-Islington established a tenure mix of one-third affordable rental; one-third market rental; and one-third ownership.

Figure 1: Bloor-Kipling (Six Points) Block Pattern



The new ECC is the cornerstone of creating a complete community for City-owned lands at Bloor-Kipling. The co-location of community and civic facilities and services at ECC will serve as an anchor for this new community with a state-of-the-art civic hub including a community recreation centre, a public library, a non-profit child care centre, community spaces and a new civic square for public programming and events. In addition, the ECC will support the following key strategic objectives:

- Provide community facilities and services to support the proposed development target of 2,500 residential units in the Housing Now Bloor-Kipling (Six Points) area;
- Improve resident access to modernized City services and programming with direct access to public transit;
- Provide a catalyst for revitalization and economic activity in the West District;
- Direct employment and mixed income residential growth to support the City's significant investment in infrastructure and transit (the Six Points Reconfiguration, the Kipling Transit Hub and Islington Bus Terminal Relocation); and

- Support the City's Official Plan growth management strategy by directing growth to the Etobicoke Centre to use infrastructure and City services efficiently, and concentrate jobs and people in areas well served by surface and rapid transit stations (Kipling Transit Hub).

ModernTO

In December 2019, City Council adopted Item EX9.2, which approved the rationalization of the City's Office Portfolio - a self-funding asset management strategy, to reduce capital and operating costs by \$30.5M/year; and the ModernTO initiative to transform and modernize the office portfolio and workplace environment, which has been accelerated by COVID-19, by investing in four primary office assets to create transit-oriented civic hubs for government administration at:

- City Hall/Metro Hall;
- Scarborough Civic Centre;
- North York Civic Centre; and
- Etobicoke Civic Centre (at 3755 Bloor Street West, Block 4 of the Bloor-Kipling (Six Points) Area).

The new ECC is required for the successful optimization of the City's office portfolio and implementation of the ModernTO program as it will:

- Unlock the financial value of City-owned assets and reallocate capital backlog to the construction of a new facility;
- Enable the collapsing of leases which will generate operational and capital savings, while relocating these City programs modernized office space;
- Enable the accommodation of 1,737 FTEs with the application of the ModernTO mobility ratio of 1.7 (17 staff to 10 desks);
- Locate the west district government administration at the Kipling Transit Hub which will permit mobility choice and flexibility to support a mobile municipal workforce - a key criterion in the implementation of the ModernTO program;
- Construct new purpose-built office space that will bring modernized municipal services to a transit-oriented site at Bloor-Kipling (the Kipling Transit Hub)
- Allow all staff and services in the west district to continue at 399 The West Mall while the new ECC is being constructed thus minimizing disruption to City staff, swing space costs, and disruption of service delivery to residents;
- Construct a civic hub in the west district that will meet Tier 4 of the Toronto Green Standard (TGS) performance standards and near net-zero carbon emissions;
- Support the future development of a net-zero community with the implementation of District Energy, housed in the ECC, which will provide heating and cooling to all seven blocks and support Toronto's Climate Action Plan to reduce greenhouse gas emissions from buildings, and help the City reach its greenhouse gas reduction target of net-zero by 2050 or sooner; and
- Provide residents of Toronto with direct transit access to municipal services and community facilities in an open, transparent and welcoming environment.

Detailed Design and Stakeholder Engagement

CreateTO, in collaboration with City staff, has led and completed Phase 1, Feasibility Study (2017) and Phase 2 Schematic Design (2019) of the City's Major Capital Projects Approval Process. Phase 3, Detailed Design, which includes finalizing the building geometry, exterior and interior layouts, room sizes, room fit-out and building materials was completed in December 2020.

A robust consultation process was undertaken to finalize the building geometry and detailed design. The consultation process began in June 2020 and consisted of six design workshops for each of the 14 key stakeholder groups. The stakeholder engagement was completed in October 2020 and informed the submission of the 100% Detailed Design Brief to the City in December 2020.

The key program change during the detailed design phase includes the relocation of the access ramp from the interior of the below-grade structure to an exterior covered ramp. This change was undertaken following comments from the Design Review Panel in February 2019. The relocation of the ramp allowed design changes that improved:

- program spaces in the community recreation centre;
- public realm between ECC and the adjacent development block;
- pedestrian connection between the civic square, Dundas Street and Bloor Street; and
- the civic square area with a 25% increase in total square footage.

The ECC was originally designed to meet Tier 2 of TGS Version 3 performance standards. In 2020, the Design Team was directed to investigate requirements to transform the ECC to Tier 4 and near net-zero performance measures in alignment with City Council direction for City-owned assets. The study identified the pathways to achieve Tier 4 and near net-zero. City staff approved proceeding with the necessary redesign to implement Tier 4 of the TGS and near net-zero performance measures. Detailed design revisions have been completed and will inform contract documents.

City Planning Approvals

A City-initiated zoning process was undertaken to secure the required planning approvals for the construction of the new ECC. A pre-application process was established to allow for informal submissions by CreateTO which were reviewed by a Technical Advisory Committee, a team coordinated by City Planning comprising of commenting Divisions who reviewed and provided comments on development concepts and technical supporting documents. This review process provided opportunities to resolve technical and planning matters to facilitate an expedited review process for the new ECC. The first zoning and site plan submission was made on March 31, 2021. Planning and Housing Committee at its meeting of November 25, 2021, recommended:

- an amendment to City of Etobicoke Zoning Code and Zoning By-law 1088-2002 and City of Toronto Zoning By-law 569-2013 in accordance with a draft Zoning By-law Amendment to permit the design and construction of a new ECC; and
- a Community Benefits Agreement be in place for the construction of the ECC.

The Bills will be enacted by City Council at its meeting on December 15, 2021. Site Plan approval and Notice of Approval Conditions (NOAC) are anticipated for March 2022.

Public Art

In September 2020, CreateTO, in collaboration with Economic Development and Culture and the Indigenous Affairs Office, retained a Public Art Consultant to develop a Public Art Plan for the commissioning of public art at the new ECC. The firm of Mills and Mills and Indigenous artist Rebecca Baird were the successful proponents.

The public art plan includes five (5) public opportunities which are outlined below. Opportunities 1, 2A-2B, 3 and the mentorship programs are exclusively limited to Indigenous artists and Opportunity 4 will be open to all artists living or born in Canada.

Opportunity 1: Stone Carvings consists of a bas-relief (low carved) Indigenous imagery relevant to this territory, to be inscribed into boulders and large stone elements that are placed in key locations around the ECC. The choice of stone materials and placement within the Site will be a collaborative process with the PMA Landscape Architects. The stone carvings will be located throughout the civic square (Gateway Courts, Filter Garden, and Water Plaza).

Opportunity 2A: Sculpture Program – Sacred Fire Vessel consists of a design of a cover for a Sacred Fire Vessel to be located in the Event Plaza of the civic square.

Opportunity 2B: Sculpture Program – East Garden consists of designing small scale sculptural elements to be integrated into the East Garden at the ECC, located in the civic square.

Opportunities 1 & 2A and 2B will be a collaboration with PMA Landscape Architects and will also entail periodic review by an Elder.

Opportunity 3: Ceremonies Room consists of a co-created, wall-mounted indoor artwork for the interior Ceremony Room located on the second floor. The artwork design and planning will be led by an Indigenous Artist and executed by a team of Indigenous participants (artists and craftspeople) assembled by the Lead Artist. The Lead Artist will act as the coordinator and visionary for the development of a concept and will be responsible for managing the team of Indigenous participants (artists and craftspeople).

Opportunity 4: Interior Suspended Artwork consists of a suspended artwork that will be located in the Atrium.

Additional Opportunity consists of the selection of an Indigenous artist to lead mentorship opportunities for two emerging Indigenous artists. Mills and Mills, along with Indigenous artist Rebecca Baird, will support the mentorship program with a 10-week online program on the components of the public art process.

The Indigenous Public Art for the ECC commenced with the release of a Request for Qualifications on March 16, 2021. Shortlisted artists were selected by a Jury of Indigenous artists, curators and experts. The finalists proceed to Juried Interviews for each opportunity. The successful Indigenous artist will be announced in January 2022.

In 2022, a Request for Qualifications for artists living or born in Canada will be issued for Opportunity 4, the interior art commission. This will be open to, but not exclusively limited to, Indigenous Artists. The final selection of the artist is projected for June 2022.

Project Costs

The 100% Detailed Design Brief, dated December 2020, informed a Class B costs estimate which resulted in updates to the business case and project costs, which are outlined in Confidential Attachment 1. The financial impacts associated with the construction of a new ECC have been provided to the City's Chief Financial Officer and will be reviewed as part of the 2022 budget process. The capital investment required for the construction of the new ECC will be part of the City's annual budget process for Council's consideration.

Conclusion

The new ECC is an integral component in the City's vision for the Etobicoke Centre and the achievement of key economic, social and environmental strategic directions. The City has made a significant investment in infrastructure to support a 30-year vision of the Etobicoke Centre as a dynamic, mixed-use, transit-oriented community in the West District.

Residential and non-residential with the relocation of office and community uses will support the investment in the Kipling Mobility Hub and create a vibrant transit-oriented development. The new ECC is the cornerstone of this growing centre, providing the required regional community facilities and services to support existing and new residents with the projected 2,500 units that will come on stream with the implementation of the Housing Now initiative.

The new ECC is a required civic asset for the successful implementation of the office optimization plan and Modern TO initiative. Relocation of municipal services to a transit-oriented site (the new Kipling Mobility Hub) will support the mobility criteria for the office optimization plan and improve access to services for residents, City staff and visitors while reducing vehicle congestion and environmental impacts and increasing employment opportunities for residents. A new purpose-built civic asset will replace the functionally obsolete and costly ECC at 399 The West Mall, and facilitate operational and capital savings which will be leveraged to modernize primary office assets with modernized services to effectively and efficiently serve the residents of the City.

As a City-owned asset, the new ECC will be designed to achieve Tier 4 and near net-zero performance standards. The ECC will also house a centralized heating and cooling centre (District Energy) with a geothermal network of pipes that will deliver low carbon energy sources to all of the new Housing Now Bloor-Kipling (Six Points) development blocks creating the first near net-zero community. District Energy is a key component of

TransformTO, Toronto's climate action plan to reduce emissions from buildings and help the City reach its greenhouse gas reduction target to reach net-zero by 2050 or sooner and build healthy and resilient communities in the City.

In conclusion, the ECC successfully achieves the delivery of key city goals and objectives, while the business case, as set out in Confidential Attachment 1, continues to support the construction of a new ECC.

NEXT STEPS

In alignment with the City's Major Capital Approval Process, CreateTO, in collaboration with City staff, has followed the stage-gate process for the design of the new ECC. To date, schematic design and detailed design have been completed. The City will lead the next phases of work consisting of contract documents, tender, contract award and construction of the new ECC (refer to Table 2).

Upon City Council's approval of the capital funding and tender award, construction is scheduled to commence in March 2023 with a projected completion date of March 2027.

Table 2: ECC Project Schedule

TASK	TIMELINE
Phase 1 <ul style="list-style-type: none"> • Feasibility and Conceptual Design 	Complete - 2017
Phase 2 <ul style="list-style-type: none"> • Site Investigation • Program Validation • Schematic Design 	Complete 2019
Phase 3 <ul style="list-style-type: none"> • Detailed Design • Planning Approvals (ZBA) • Contract Documents • Tender 	Complete (2020-21) Complete (December 2021) September - July 2022 August - December 2022
Phase 4 <ul style="list-style-type: none"> • Contract Award (City Council Approval) 	January 2023
Phase 5 <ul style="list-style-type: none"> • Construction Start • Substantial Completion • Staff Move-in • Total Completion 	March 2023 March 2027 April - November 2027 December 2027

TASK	TIMELINE
Phase 6 Post-Project Review /Close Out	December 2027-December 2029 (two year warranty period)

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SIGNATURE

Vic Gupta
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ATTACHMENTS

Confidential Attachment 1 - Relocation of the Etobicoke Civic Centre - Project Update