

## **Housing Now - Approval of Negotiated Documents for Bloor-Kipling (Six Points), Block 1 (5207 Dundas Street West)**

**Date:** May 3, 2022

**To:** Board of Directors, CreateTO

**From:** Chief Executive Officer

**Wards:** 3

### **REASON FOR CONFIDENTIAL INFORMATION**

---

The attachment to this report deals with a pending disposition of land by the Board of Directors of CreateTO and the City.

### **SUMMARY**

---

This report recommends that the CreateTO Board of Directors approve the negotiated agreements for Bloor-Kipling (Six Points), Block 1 (5207 Dundas Street West) ("5207 Dundas Street W.") which includes the Ground Lease, the Project Agreement, and the Contribution Agreement (the "Agreements").

The report also recommends that the CreateTO Board of Directors direct the Chief Executive Officer, CreateTO to request the necessary City of Toronto authorities to execute the Agreements and such other documents as may be necessary in order to finalize the arrangement with the developer partners for 5207 Dundas Street W. as described in Confidential Attachment 1.

Following completion of the market offering process in December 2021, the successful developer executed the term sheet on March 14, 2022. On April 12, 2021, the CreateTO Board adopted Item RA 30.5 - "Housing Now - Selection of Proponent for Bloor-Kipling (Six Points), Block 1 (5207 Dundas Street West) approving the selection of the successful developer partners and the term sheet, subject to approval by senior City management.

Subject to approval of this report, and finalization of a few non-material provisions in the Agreements with the proponent, CreateTO management will obtain the approval of the Executive Director, Housing Secretariat, the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer for execution of agreements, and work with the developer partners on obtaining the deposits as outlined in the agreements.

The developer partners are diligently working on their site plan submissions with a current timeline to have formal submissions made to City Planning by Q3, 2022.

Pending planning approvals, the current schedule is to start site servicing construction in Q2, 2023.

## **RECOMMENDATIONS**

---

The Chief Executive Officer, recommends that the Board of Directors of CreateTO:

1. Approve the negotiated agreements for 5207 Dundas Street West which include the Ground Lease, Project Agreement and the Contribution Agreement (the "Agreements") based substantially on the terms and conditions set out in Confidential Attachment 1, and such other terms and conditions deemed appropriate by Chief Development Officer and Executive Vice President Strategic Asset Management and the Chief Legal Counsel and Corporate Secretary, subject to the necessary City of Toronto approvals.
2. Direct the Chief Executive Officer, CreateTO to request the necessary City of Toronto authorities required to execute the Agreements and such other documents as may be necessary in order to finalize the arrangement with the developer partners for 5207 Dundas Street West as described in Confidential Attachment 1.
3. Direct that the names of the developer partners be made public at the discretion of the Chief Executive Officer following execution of the Agreements and that the remainder of the information in Confidential Attachment 1 remain confidential as it deals with a pending disposition of land by the Board of Directors of CreateTO and the City.

## **FINANCIAL IMPACT**

---

A summary of the agreements are included in Confidential Attachment 1.

---

## **EQUITY IMPACT STATEMENT**

---

The HousingTO 2020-2030 Action Plan envisions a city in which all residents have equal opportunity to develop to their full potential. The HousingTO 2020-2030 Action Plan is also centred on a human rights-based approach to housing. This approach recognizes that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive and sustainable communities.

The Housing Now Initiative is a key program under the HousingTO 2020-2030 Action Plan aimed at creating new affordable rental housing within mixed-income, transit rich, complete communities. Creating new affordable housing through the Housing Now Initiative will increase the opportunity for structurally vulnerable and marginalized individuals, including Indigenous Peoples, Black people, people of colour, seniors, women, and members of the LGBTQ2S+ community to access safe, healthy and adequate homes. More housing opportunities for essential workers and families will also be created through the Housing Now Initiative.

Safe, secure, affordable housing is an important social determinant of health. It improves the social and economic status of individuals, families and communities. Good quality, affordable housing is also the cornerstone of vibrant, healthy neighbourhoods and supports the environmental and economic health of the city, region and country as a whole.

## **DECISION HISTORY**

---

On December 13, 2018, City Council adopted CC1.3 "Housing Now", which approved the activation of 11 sites for the development of affordable housing as part of creating mixed-income, mixed-use and transit oriented communities.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.3>

On January 30 and 31, 2019, City Council adopted EX1.1 "Implementing the "Housing Now" Initiative". This report provided recommendations on the organizational structure and processes to deliver the Housing Now Initiative, the proposed affordable housing program and the overall financial implications of the program.

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

On July 9, 2019, the CreateTO Board of Directors adopted RA7.4 "Housing Now Initiative", directing Management to include the following as part of Housing Now business cases:

- a. a summary of the results of the community consultation, with local councillor input;
- b. the planning context;
- c. context on City Building initiatives;
- d. a breakdown of levels of affordability and proposed terms of the transaction; and
- e. how the business case addresses maximum attainability of affordable units.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.RA7.4>

On September 24, 2019, CreateTO Board endorsed the business cases as presented and directed CreateTO management to proceed to market with the first four sites in the fourth quarter of 2019.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.RA9.5>

On May 28, 2020, City Council adopted CC21.3 "Creating New Affordable Housing Opportunities through Phase Two of the Housing Now Initiative", which approved adding 6 additional sites to the Housing Now Initiative to create new affordable and market rental housing within mixed-income, mixed-use, complete communities close to transit.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC21.3>

On June 29, 2020, City Council adopted PH14.3 "Housing Now Initiative - Annual Progress Report", which approved enhancements to the Housing Now Initiative that will improve the lives of future residents of the sites.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH14.3>

On February 2, 2021 Council adopted the Community Benefits Frameworks applicable to Housing Now.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX20.7>

On May 11, 2021, the CreateTO Board of Directors adopted RA22.12 "Housing Now Business Case for Bloor-Kipling (Six Points) – Block 1", and directed CreateTO Management to proceed to market 5207 Dundas Street West to the development community.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA22.12>

On July, 14, 15, and 16, 2021, City Council adopted PH25.2, the "Housing Now Bloor-Kipling (Six Points) Block Context Plan and Blocks 1, 2 and 5 City-Initiated Zoning By-law Amendment – Final Report" to facilitate the development of mixed use residential developments with a minimum of 33% affordable rental units and a public park.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH25.2>

On October 4, 2021, City Council enacted the Bills for Block 1, 2 and 5. There were no appeals and the By-laws came into full force and effect on October 4, 2021.

<https://www.toronto.ca/legdocs/bylaws/2021/law0825.pdf>

On April 14, 2022, the CreateTO Board of Directors approved RA30.5, "Housing Now - Selection of Proponent for Bloor-Kipling (Six Points), Block 1 (5207 Dundas Street West)" and selected the proponent for 5207 Dundas Street W. and directed CreateTO to report back to the Board of Directors, when management has finalized the Agreements with the proponent, for approval of the Agreements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.RA30.5>

## COMMENTS

---

On October 13, 2021, CBRE, on behalf of the Housing Secretariat and CreateTO, launched a marketing process for 5207 Dundas Street W.

Bids were received on December 14, 2021, and under the direction of a fairness monitor, bids were reviewed, scored, and shortlisted by the selection committee consisting of CreateTO staff and the City's Housing Secretariat. In accordance with the Confidential Information Memorandum, the highest ranked proponent was selected to enter into negotiations on the terms of the development project with the intent of confirming the selection of a successful proponent. CreateTO negotiated a term sheet containing the major business terms with the final bidder and an executed term sheet, was submitted by the final bidder on March 14, 2022.

Since March 14, 2021, CreateTO and City staff have been working with the proponents to finalize the Agreements which are consistent with the term sheet. At the writing of this report, a few non-material provisions remain to be finalized in the Agreements. These final provisions will be finalized prior to the CreateTO Board meeting on May 17, 2022.

### City Building Components

The final proposed development will provide a wide range of City components, some of which were part of the requirements as set out in the Market Offering, and some of which are in addition to the market offering, as proposed by the developer:

- A 100% rental development with 33% affordable housing and 67% market rental units
- Exceed the Housing Now Affordable Housing unit target by 20 units, providing a total of 209 new affordable rental units;
- Annual increased in rent for in-situ market tenants not to exceed the Provincial guideline plus two percent;
- Exceed the minimum Toronto Green Standard Version 3 Tier 2 with implementation of Version 3, Tier 4 and near net zero;
- Housing supports through Non For Profit ("NFP") Partners and developer led programs will be provided as described in Confidential Attachment 1;

In addition to the above, the project will deliver other city building components, including:

- A unique built form that complements the new Bloor-Kipling (Six Points) road network and provides comfortable pedestrian and open space conditions;
- Publicly accessible open space on the development block that will provide community amenity space and connections to the broader Bloor-Kipling (Six Points) Area open space network;
- Retail at grade providing active street frontages and services to residents;
- In addition to meeting the Affordable Housing Design Guidelines, there will be a minimum of 20% accessible affordable rental units and 15% accessible market

rental units, and all common areas shall be fully barrier-free in accordance with the AODA requirements;

- Affordable units and associated building facilities will be provided to the same standard of construction and finish as market units; and
- Connect to the district energy plant, to be located at the new Etobicoke Civic Centre (Block 4), which will provide a sustainable energy source and enable the development to contribute to the reduction of greenhouse gas emissions and achieve near net zero carbon emissions.

The developer partner will work with the City to develop and implement a Community Benefits Plan for local/diverse hiring commitments and social procurement commitments as outlined in Confidential Attachment 1.

Block 1, at 5207 Dundas Street West, is the first of five Housing Now blocks at the Bloor-Kipling (Six Points) area that will contribute to the creation of a resilient, complete community providing, mixed use, mixed income housing to be serviced by a sustainable energy source contributing to the reduction of greenhouse gas emissions, located in close proximity to the Kipling Transit Hub. The Agreements being put forward for approval incorporate all of the above City benefits and will secure them for the term of the 99 Land Lease.

### **Next Steps**

The proponents are diligently working on their Site Plan application in order to advance the construction of the development. Their current schedule is to submit their application formally to City Planning by Q3, 2022. They are very excited to get started and have a preliminary date of late Q2, 2023 to start site servicing construction after which building construction can commence.

Advancing this project will support the City's HousingTO 2020-2030 Action Plan targets. It will provide a range of new housing, including much-needed affordable and supportive housing, within a new complete community.

### **CONTACT**

---

Gabriella Sichi, Vice President, Development, CreateTO, (416) 981-2470, [gsichi@createto.ca](mailto:gsichi@createto.ca)

Valesa Faria, Director Housing Secretariat, City of Toronto, (416) 392-0602, [valesa.faria@toronto.ca](mailto:valesa.faria@toronto.ca)

Salima Rawji, Senior Vice President, CreateTO, (416) 981-3755, [srawji@createto.ca](mailto:srawji@createto.ca)

## **SIGNATURE**

---

Vic Gupta  
Chief Executive Officer

## **ATTACHMENTS**

---

Attachment 1: Bloor-Kipling (Six Points) Block 1 (5207 Dundas Street West) Timeline  
Attachment 2: Bloor-Kipling (Six Points) Block 1 (5207 Dundas Street West)  
Development Concept  
Confidential Attachment 1: Bloor-Kipling (Six Points) Block 1 (5207 Dundas Street  
West) Transaction Terms

**Attachment 1: Bloor-Kipling (Six Points) Block 1 (5207 Dundas Street West)  
Timeline**

Site	Execution of Agreements	Planning Approvals		Site Servicing Construction Start	Project First Occupancy
		Site Plan Application	Committee of Adjustment Application		
<b>Bloor-Kipling (Six Points) Block 1, 5207 Dundas Street W.</b>	<i>Q3 2022</i>	<i>Late Q3 2022</i>	<i>Q1 2023</i>	<i>Late Q2 2023</i>	<i>Late Q3 2026</i>



# Attachment 2: Bloor-Kipling (Six Points) Block 1 (5207 Dundas Street West) Development Concept

Figure 1: Concept Plan

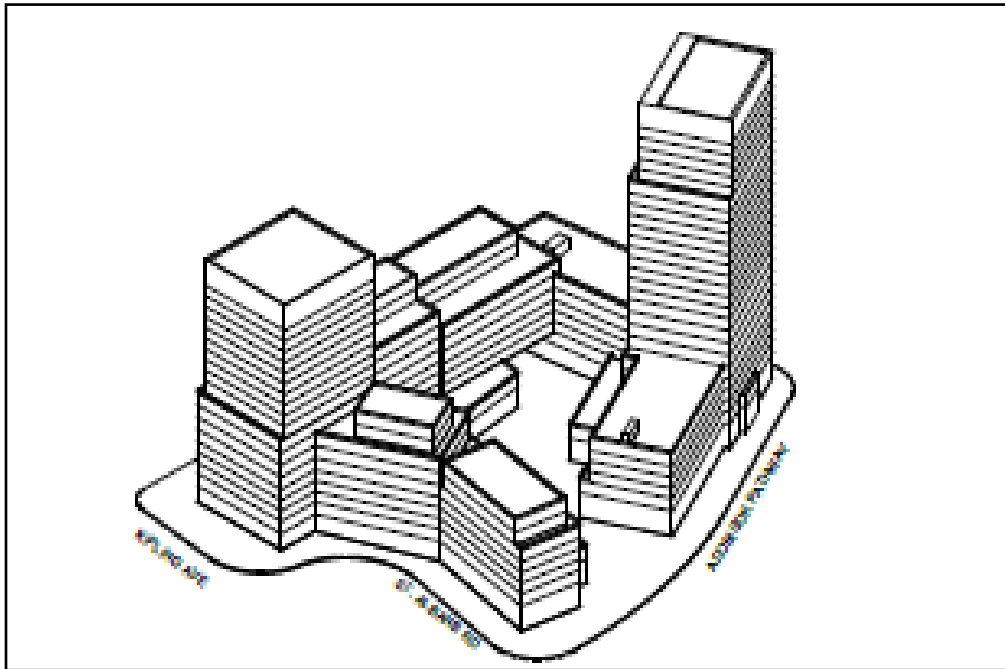


Figure 1: Site Plan

