

# **Authority to Enter into a Construction Management Agreement with Toronto Community Housing Corporation and to Transfer Funds for the Construction of St. James Town Open Space and Public Realm**

**Date:** May 18, 2023

**To:** General Government Committee

**From:** General Manager, Parks, Forestry and Recreation and General Manager, Transportation Services

**Wards:** Toronto Centre - 13

## **SUMMARY**

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In December 2020, City Council authorized the City of Toronto to enter into a Design Services Funding Agreement with Toronto Community Housing Corporation (TCHC) and to transfer funds for the design of the St. James Town Open Space and Public Realm. The City is now seeking authority to enter into a Construction Management Agreement with TCHC and transfer up to \$4.722 million for project construction costs. The construction will be managed by TCHC in coordination with the City and is anticipated to start in 2024 and last until approximately 2027.

The project is located within land owned by TCHC and comprises a large open space, a shared walking/cycling corridor (formerly referred to as Ontario Street South) and the public realm surrounding the TCHC buildings located at 275 Bleecker Street and 200 Wellesley Street East. The open space will become a City park (limits yet to be defined) and a walking/cycling corridor under a lease agreement with TCHC. The term of the lease will commence once construction of the park is complete.

The future park is designed to increase the amount and quality of green space in the St. James Town neighbourhood and will include a playground, water play, a large open lawn and a stage.

## RECOMMENDATIONS

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The General Manager, Parks, Forestry and Recreation, and the General Manager, Transportation Services recommend that:

1. City Council authorize the City of Toronto to enter into, and the General Manager, Parks, Forestry and Recreation in consultation with the General Manager, Transportation Services to execute on behalf of the City, a Construction Management Agreement with Toronto Community Housing Corporation for the construction of the above base park and public realm components of the subject land at 200 Wellesley Street East and 275 Bleecker Street on terms and conditions acceptable to the General Manager, Parks, Forestry and Recreation and the General Manager, Transportation Services, in a form satisfactory to the City Solicitor, and in accordance with City policies applicable to capital projects, including compliance with the City's fair wage policy and other procurement policies, as well as the City's Labour Trades Contractual Obligations in the Construction Industry.
2. City Council authorize the General Manager, Parks, Forestry and Recreation to transfer up to \$4.615 million from Parks, Forestry and Recreation's 2023 Council Approved Capital Budget and 2024-2032 Capital Plan from the St. James Town Open Space Construction (account CPR117-52-39) sub-project in the Park Development project, with funding from the Section 37 community benefits received from 6 - 16 Glen Road, 4 - 100 Howard Street, and 603 - 611 Sherbourne Street (source account: XR3026-3701030), subject to entering into a Construction Management Agreement with Toronto Community Housing Corporation, to fund the City's cash portion for the construction of above base park and public realm components of the subject land at 200 Wellesley Street East and 275 Bleecker Street.
3. City Council authorize the City of Toronto to enter into a lease agreement with Toronto Community Housing Corporation, to lease the future park for nominal consideration, on terms as generally set out in the Term Sheet attached as Schedule B to the Design Services Agreement authorized by adoption of TE21.62 on December 16, 17 and 18, 2020 and appended to this report as Attachment 2.
4. City Council authorize the City of Toronto to transfer funding to Toronto Community Housing Corporation on the condition that Toronto Community Housing Corporation must enter into an acceptable Construction Management Agreement, and that within the Agreement there is included a condition that Toronto Community Housing Corporation should be contractually obligated to enter into a lease with the City before the City advances any funding for the project.

## FINANCIAL IMPACT

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The St. James Town Connects framework and planning study were approved by City Council in 2018. At its meeting on December 16, 2020, City Council authorized the City of Toronto to enter into a Design Services Funding Agreement with Toronto Community Authority to Enter Construction Management Agreement - St. James Town

Housing Corporation (TCHC) and to transfer up to \$0.515 million, funded from Section 37 community benefits, for the design of St. James Town Open Space, Public Realm and Ontario Street South. The design phase for the new park plan is planned to be completed in fall 2023.

The 2023 Council Approved Capital Budget and 2024-2032 Capital Plan for Parks, Forestry and Recreation (PFR) includes \$4.615 million for the St. James Town Open Space Construction sub-project, in the Park Development project, categorized as a growth-related project, with cash flow commitments in 2024, and funding from the Section 37 community benefits fully received from 6 - 16 Glen Road, 4 - 100 Howard Street, and 603 - 611 Sherbourne Street (source account: XR3026-3701030).

Funding required in the amount of \$107,000 is proposed to be identified in Transportation Services' 2023-2032 Approved Capital Budget and Plan allocated to the Neighborhood Improvements program (CTP417-02) for the purposes of implementing streetscape improvements on the east side of Bleecker Street from Wellesley Street to St. James Avenue, to be categorized as a Service Improvement & Enhancement project. Best efforts are being made with the local Councillor's office to identify an appropriate Section 37 community benefits funding source for the above improvements, for which subsequent budget adjustments will be requested as necessary.

The City will enter into a nominal lease arrangement with TCHC once the first phase of the park construction is complete. The new public park will be operated by PFR. As identified in Table 1 below, at this time it is estimated that there will be an annual operating cost of \$0.012 million gross and net phased in over 2025, 2026 and 2027.

Table 1: Estimated Financial Impacts (\$ millions)

2025	2026	2027*
Gross/Net	Gross/Net	Gross/Net
\$0.004	\$0.008	\$0.012

\*reflects annual estimate for 2027 and subsequent years

This report seeks authority from City Council for the City to enter into a Construction Management Agreement with TCHC and to transfer up to \$4.722 million to TCHC to complete construction of above base park and public realm components of the subject land at 200 Wellesley Street East and 275 Bleecker Street.

PFR and Transportation Services will accommodate within existing staff resources, where possible, to maintain and operate the new public park and public realm components. However, any incremental operating impacts including staff resource requirements of the space will be submitted for consideration through future budget submissions.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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At its meeting on February 17, 2022, City Council approved the 2022 Capital Budget and 2023-2031 Capital Plan for Parks, Forestry and Recreation, which included \$4.615 million for the St. Jamestown Open Space Construction project.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX30.2>

At its meeting on December 16 2020, City Council authorized the City of Toronto to enter into a Design Services Funding Agreement with Toronto Community Housing Corporation and to transfer up to \$0.515 million for the design of St. James Town Open Space, Public Realm and Ontario Street South.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.TE21.62>

At its meeting on July 23 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.”

The Framework outlines ten key projects to accomplish these aims including enhancing streetscapes and improving mid-block connections. The key project that is the subject of this report are improvements to the Toronto Community Housing Corporation Open Space and public realm including walking/cycling improvements.

<https://secure.toronto.ca/council/agenda-item.do?item=2018.TE34.90>

At its meeting on May 22 2018, Council adopted the Downtown Parks & Public Realm Plan, which was informed by a Public Space Public Life Study highlighting the importance of the walking/cycling corridor and open space as one of the Key Priorities.

<https://secure.toronto.ca/council/agenda-item.do?item=2018.PG29.5>

## **COMMENTS**

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The St. James Town neighbourhood, one of the densest areas in the City of Toronto, lacks sufficient high-quality, safe, accessible parks, open spaces and pedestrian connections. According to the City's Parkland Strategy, the neighbourhood has significantly low existing parkland provision, which is expected to decrease as the population is forecast to increase in the next few decades.

There is also a high proportion of people from equity-deserving communities living in the area. This includes children, seniors, people living on low-incomes people from single-parent households and many recent immigrants.

The St. James Town Connects Framework, approved by City Council in 2018, brings together a series of projects to create safer, accessible and animated open spaces and improved pedestrian connections. The concept for the future park and improved public realm (Attachment 1) was included in the St. James Town Connects report. As shown in Attachment 1, the subject land is owned by Toronto Community Housing Corporation Authority to Enter Construction Management Agreement - St. James Town

(TCHC) and comprises a large open space, dedicated walking/cycling corridor, and the public realm surrounding the TCHC buildings located at 275 Bleecker Street and 200 Wellesley Street East.

The concept for the new park includes a natural play space and water play area, an open stage, large open lawn, games room, community gardens and a market area. The City of Toronto and TCHC are partnering to design and construct the future park and public realm. The project is currently in detailed design, and is expected to be tendered in late fall 2023. The contract will be managed by the TCHC with the City of Toronto, Parks, Forestry and Recreation and Transportation Services divisions, collaborating as partners on the project management, design, and construction of the project.

The majority of the TCHC-owned open space is encumbered as it is located over an underground garage. Garage renovations are scheduled to begin in 2024 and will be phased. The open space and public realm will be re-constructed between 2024 and 2027 as phases of the garage renovation are completed.

Much of the existing open space will become a City park (exact limits will be refined as the design progresses) under a lease agreement with TCHC. The major lease terms and conditions have been negotiated by both parties and included within the approved design funding agreement (see Attachment 2). Transportation Services will be involved in the design of the shared cycling and pedestrian corridor between Wellesley Street East and St. James Avenue. The final lease will be drafted and executed in time for when construction of the park and walking/cycling corridor is complete.

Both the future park and the walking/cycling corridor will be operated and maintained by the City of Toronto during the lease term. Operating impacts will be submitted for consideration during future year budget processes when the future parkland nears completion.

The opportunity to secure a large public park directly within the community is unprecedented. Redeveloping this open space asset as a public park will offer this community a revitalized gathering space with significant investment in quality park assets, and a higher level of maintenance than currently exists.

## **CONTACT**

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## **SIGNATURE**

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Janie Romoff  
General Manager, Parks, Forestry and Recreation

Barbara Gray  
General Manager, Transportation Services

## **ATTACHMENTS**

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Attachment 1: St. James Town Open Space and Public Realm including the walking/cycling corridor (labeled as Ontario Street)  
Attachment 2: St. James Town Open Space Lease Term Sheet

Attachment 1: St. James Town Open Space and Public Realm including the walking/cycling corridor (labeled as Ontario Street)



DESIGN DRIVERS:



Flexible spaces



A variety of spaces and furnishings



Open sight lines



Designed for longevity - simple materials

- 1 - The Market
- 2 - The Promenade
- 3 - St. James Plaza
- 4 - St. James Avenue Table Top
- 5 - St. James Avenue
- 6 - Water Play

- 7 - Natural Play
- 8 - Open Paved Courtyard
- 9 - The Stage
- 10 - The Lawn
- 11 - Community Tables and BBQ
- 12 - Community Gardens

- 13 - Garbage Bay Area
- 14 - Games Room
- 15 - The Deck
- 16 - Low Landforms

The Planning Partnership

Map 13 - Concept Plan, Open Space and Ontario Street and St James Avenue

Not to Scale  
06/11/2018



St James Town Connects

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