

254 and 260 Adelaide Street West - Amendment to the Joint Development Agreement

Date: November 1, 2022

To: The Board of Directors of CreateTO

From: Chief Executive Officer, CreateTO

Wards: Ward 10 - Spadina-Fort York

REASON FOR CONFIDENTIAL INFORMATION

The Confidential Attachment to this report relates to both a proposed or pending acquisition or disposition of property belonging to the City, and a plan to be applied to negotiations carried on or to be carried on by or on behalf of the Board of Directors of CreateTO and City of Toronto.

SUMMARY

The purpose of this report is to receive Board approval to amend the timelines in the Joint Development Agreement, triggered by rezoning of 254 & 260 Adelaide Street West, to explore a joint venture opportunity with the owner of 254 Adelaide Street West.

RECOMMENDATIONS

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

1. Authorize the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Corporate Real Estate Management, to amend the timelines in the Joint Development Agreement (October 6, 2021) to allow time to explore a joint venture opportunity with the owner of 254 Adelaide Street West until end of March 2023.
2. Direct that the Confidential Attachment 1 to this report remain confidential in its entirety as it contains information that relates to both a proposed or pending acquisition or disposition of property belonging to the City and a plan to be applied to negotiations

carried on or to be carried on by or on behalf of the Board of Directors of CreateTO and City of Toronto.

FINANCIAL IMPACT

Currently there is no additional financial impact on CreateTO.

DECISION HISTORY

At its meeting of March 7, 2019, City Council approved the 2019 Operating and Capital Budgets. In its 2019 Operating Budget & 2019-2028 Capital Budget and Plan, Toronto Fire Services provided an update on building condition audits conducted for all Toronto Fire Services facilities, and recommended proceeding with identification of design opportunities to enable future fire stations to be integrated into various community hub and residential development proposals as opposed to maintaining the traditional stand-alone fire station model.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX2.5>

At its meeting of October 29, 2019, City Council declared 260 Adelaide surplus and authorized the purchase of 229 Richmond. City Council directed CreateTO, along with Corporate Real Estate Management and City Planning, to report back in 2020 on a Precinct Plan for the combined sites (260 Adelaide & 229 Richmond) and adjacent properties as appropriate along with a business plan to activate these sites with City uses such as affordable housing, parks, public parking managed by Toronto Parking Authority, childcare, and any other uses as may be suitable.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX9.6>

At its meeting on May 11, 2021, CreateTO Board approved the relocation of the Fire Station 332 to Metro Hall and the redevelopment plan for 260 Adelaide which will include affordable housing, a new Paramedic post, and community space. The Board approved the financial business case for the potential disposition of 260 Adelaide and the requisite funding allocation of the proceeds. The Board also approved the redevelopment plan for 229 Richmond, which will include an at-grade park and a potential below-grade parking garage.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA22.9>

At its meeting on July 7, 2021, CreateTO Board approved the negotiated joint development agreement with the adjacent landowner to 260 Adelaide Street West to jointly rezone and sell the sites. The Board also recommended to City Council to approve the negotiated joint development agreement with the adjacent landowner to 260 Adelaide Street West to jointly rezone and sell the sites.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA23.2>

At its meeting of October 1, 2021, City Council authorized the City to enter into a joint development agreement and any related agreement with the owner of 254 Adelaide Street West to jointly rezone and sell 254 Adelaide Street West and 260 Adelaide Street West.

COMMENTS

On October 1, 2021, City Council authorized the City to enter into a Joint Development Agreement with the owner of 254 Adelaide Street West to jointly rezone and sell 254 and 260 Adelaide Street West. Following Council direction, CreateTO worked with the adjacent landowner to submit a zoning by-law amendment application based on the development principles agreed to in the Joint Development Agreement. Rezoning was successfully achieved for a 61-storey mixed use building including 813 residential units (minimum 20% affordable), paramedic post and a 9,982 square-foot community space, with the appeal period ending on August 18, 2022.

In addition to the land sale transaction of 260 Adelaide Street West contemplated in the Joint Development Agreement, CreateTO is exploring a joint venture scenario where the City may realize profits by being an equity participant in the development. Amendments to the Joint Development Agreement are required to allow time for CreateTO to complete the joint venture analysis. Details of the proposed amendments are contained in Confidential Attachment 1.

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SIGNATURE

Vic Gupta
Chief Executive Officer, CreateTO

ATTACHMENTS

Confidential Attachment 1