



Decision Letter

CreateTO

Meeting No.	14	Contact	Jennifer Lin, Committee Administrator
Meeting Date	Tuesday, October 29, 2024	Phone	416-397-4592
Start Time	1:30 PM	E-mail	trab@toronto.ca
Location	Video Conference	Chair	Ron Carinci

RA14.1	ACTION	Adopted		Ward: 11
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ModernTO: Selection of Proponent for 610 Bay Street and 130 Elizabeth Street

Confidential Attachment - A proposed or pending disposition of property by 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 the City.

Board Decision

The Board of Directors of CreateTO recommends that:

1. City Council approve, the preferred development proponent identified in Confidential Attachment 3 (the "Preferred Proponent") and the key terms as set out in Confidential Attachment 4 (the "Key Terms") to the report (October 15, 2024) from the Chief Executive Officer, CreateTO for the redevelopment of 610 Bay Street and 130 Elizabeth Street.
2. City Council authorize the Board of Directors, CreateTO, to direct the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Housing Secretariat, and the Executive Director, Corporate Real Estate Management, to negotiate transaction agreements, including one or more ground leases, one or more municipal housing facility agreements ("Contribution Agreements"), and such other documents as may be necessary to finalize the arrangements with the Preferred Proponent (the "Agreements"), substantially on the terms identified in Confidential Attachment 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO, and such other terms and conditions deemed appropriate by the Chief Executive Officer, CreateTO, the Executive Director, Housing Secretariat, and the Executive Director, Corporate Real Estate Management.
3. City Council authorize the Executive Director, Corporate Real Estate Management, in consultation with the Chief Executive Officer, CreateTO, and the Executive Director, Housing Secretariat, to execute, on behalf of the City, one or more ground leases and such other documents as may be necessary to finalize the arrangements with the Preferred Proponent, substantially on the major terms and conditions set out in Confidential Attachment 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO, and such other terms as deemed appropriate by the Executive Director, Corporate Real Estate Management, in

consultation with the Chief Executive Officer, CreateTO, Executive Director, Housing Secretariat, and in a form satisfactory to the City Solicitor.

4. City Council authorize the Executive Director, Housing Secretariat, in consultation with the Chief Executive Officer, CreateTO and the Executive Director, Corporate Real Estate Management, to execute, on behalf of the City, one or more municipal housing facility agreement(s) ("Contribution Agreement(s)") and such other documents as may be necessary to finalize the arrangements with the Preferred Proponent, substantially on the major terms and conditions set out in Confidential Attachment 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO, and such other terms as deemed appropriate by the Executive Director, Housing Secretariat, in consultation with the Chief Executive Officer, CreateTO, Executive Director, Corporate Real Estate Management, and in a form satisfactory to the City Solicitor.

5. City Council direct that Confidential Attachments 1, 2, 3, and 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO remain confidential as they relate to a proposed or pending disposition of property by 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 the City.

6. City Council authorize the public release of the name of the Preferred Proponent at the discretion of the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Corporate Real Estate Management, and the Executive Director, Housing Secretariat.

Decision Advice and Other Information

The Board of Directors of CreateTO:

1. Approved the preferred development proponent identified in Confidential Attachment 3 (the "Preferred Proponent") and the key terms as set out in Confidential Attachment 4 (the "Key Terms") to the report (October 15, 2024) from the Chief Executive Officer, CreateTO for the redevelopment of 610 Bay Street and 130 Elizabeth Street.

2. Directed that Confidential Attachments 1, 2, 3, and 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO remain confidential as they relate to a proposed or pending disposition of property by 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 the City.

3. Authorized the public release of the name of the Preferred Proponent at the discretion of the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Corporate Real Estate Management, and the Executive Director, Housing Secretariat.

4. Subject to Recommendation 1 and 2, authorized the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Housing Secretariat, and the Executive Director, Corporate Real Estate Management, to negotiate the Agreements in Recommendation 2, substantially on the terms set out in Confidential Attachment 4 to the report (October 15, 2024) from the Chief Executive Officer, CreateTO, and such other terms and conditions deemed appropriate by the Chief Executive Officer, CreateTO, the Executive Director, Housing Secretariat, and the Executive Director, Corporate Real Estate Management.

5. Requested the City Clerk to transmit the Board's decision to the Executive Committee for consideration with the report from the Deputy City Manager, Development and Growth Services, and Deputy City Manager, Corporate Services, regarding the redevelopment of 610 Bay Street and 130 Elizabeth Street.

The Vice President, Development, CreateTO gave a presentation on ModernTO - Selection of Proponent for 610 Bay Street and 130 Elizabeth Street.

The Board of Directors of CreateTO recessed its public session to meet in closed session to consider the item as it pertains to a proposed or pending disposition of property by 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 the City.

Origin

(October 15, 2024) Report from the Chief Executive Officer, CreateTO

Summary

At its meeting on October 29, 2024, the Board of Directors of CreateTO considered Item [RA14.1](#) and made recommendations to City Council.

Summary from the report (October 15, 2024) from the Chief Executive Officer, CreateTO:

The purpose of this report is to provide an update on the CreateTO led Request for Proposal ("RFP") and proponent selection for the redevelopment of 610 Bay Street and 130 Elizabeth Street that prioritizes: the delivery of affordable housing; a Paramedics Multi-Hub; delivery of commercial space targeted to the Medical Sciences sector; and adaptive reuse of a significant heritage building.

On November 24, 2022, under the scrutiny of a Fairness Monitor, CreateTO in conjunction with City stakeholders, issued a Request for Expressions of Interest ("REOI") to the development and not-for-profit communities as Stage One of a Two-Stage Market Offering Process. Bids were received on February 9, 2023. Under the direction of a Fairness Monitor, the REOI submissions were reviewed, scored, and shortlisted. On June 14, 2023, City Council through Item 2023.GG4.26 approved a shortlist of proponents (the "Shortlisted Proponents"). On September 8, 2023, an RFP was issued to the Shortlisted Proponents. Bids were received on December 8, 2023.

On January 26, 2024, a Minister's Zoning Order ("MZO") was issued for a new protected air ambulance flight path for St. Michael's Hospital and the Hospital for Sick Children, limiting the maximum developable height at 610 Bay Street. Meetings were convened with the Fairness Monitor to address the impacts of the MZO and a revised financial package based on a long-term land lease to reflect a change in City priorities concerning land sales. Following discussions with the Fairness Monitor, an Addendum to the RFP, supported with supplementary reports, and documents were prepared and reviewed by the Fairness Monitor. The Fairness Monitor confirmed there were no fairness concerns with the proposed Addendum.

On April 4, 2024, an Addendum to the RFP, and supplementary reports, documents and directions was released requesting proponents revise their proposals to address the impacts of the MZO and a revised financial package based on a long-term land lease.

Revised bids were received May 13, 2024. Bids were reviewed, evaluated, and scored, resulting in the selection of a preferred development proponent for the mixed-use, mixed-income development at 610 Bay Street and 130 Elizabeth Street.

Background Information

(October 15, 2024) Report from the Chief Executive Officer on ModernTO - Selection of Proponent for 610 Bay Street and 130 Elizabeth Street

(<https://www.toronto.ca/legdocs/mmis/2024/ra/bgrd/backgroundfile-249621.pdf>)

Confidential Attachment 1 - Request for Proposal Guiding Principles

Confidential Attachment 2 - Evaluation Criteria

Confidential Attachment 3 - Bid Summaries and Recommended Proponent

Confidential Attachment 4 - Summary of Key Terms

(October 29, 2024) Presentation from the Chief Executive Officer, CreateTO on ModernTO - Selection of Proponent for 610 Bay Street and 130 Elizabeth Street

(<https://www.toronto.ca/legdocs/mmis/2024/ra/bgrd/backgroundfile-249810.pdf>)

Confidential Attachment 5 - Fairness Report