

Addendum 3

**The City of Toronto (the “City”)
in conjunction with
Toronto Community Housing Corporation (“TCHC”)
RFP-TF-2019-001
Request for Proposals for Ownership and Operation of
TCHC’s Scattered Housing Portfolio (the “RFP”)**

As per section 3.2.1 Proponents to Review RFP and 3.2.2 All New Information to Proponents by Way of Addenda, please see below for questions received by proponents regarding RFP-TF-2019-001 and the corresponding answers provided by the City:

Question 1:

Are the figures for the Capital Repair Backlog and the 10-year Capital Needs cumulative (i.e. a total of approx. \$74.4 million for the entire portfolio) or is the Capital Repair Backlog included in the 10-year Capital Needs?

Answer 1:

TCHC has indicated that seventy-four million four hundred thousand dollars (\$74.4 million) is the cumulative figure for both the Capital Repair Backlog and the ten-year (10-year) Capital Needs.

Question 2:

I think there is an error in the attached document (Annex I). The last three columns highlighted should be in dollars not millions of dollars??

Answer 2:

That is correct – the last three columns should read as dollars.

This Addendum 3 serves to replace Annex I – Scattered Housing Portfolio Financial Overview with Annex I – Scattered Housing Portfolio Financial Overview – REVISED, which correctly identifies the columns as being read in dollars, and is attached to this Addendum 3.

Question 3:

Can you tell us how the 64 vacant houses are distributed amongst the bundles?

Answer 3:

The vacancies noted reflect a point in time. This changes regularly. There are no units that are permanently closed and vacancies will continue to be filled through TCHC and City processes

during the RFP process and ensuing transition time. The current vacant units are spread throughout the portfolio. The City will not be providing up-to-date detailed information as it becomes outdated so quickly.

Question 4:

Can you please direct me to where the rental roll is for each bundle?

Answer 4:

The City and TCHC are unable to provide rent rolls by individual unit addresses to protect the privacy of tenants. The approximate average market and RGI rents per bundle can be found in Annex J – Average Rents by Bundle and Unit Size, which is incorporated into the RFP via this Addendum 3 and is attached to this Addendum 3. Proponents should note that vacant units were excluded from the calculation of average rents.

Question 5:

Can you please provide the average length of tenancy for each bundle?

Answer 5:

The approximate average length of tenancy by bundle can be found in Annex K – Average Tenancy by Bundle, which is incorporated into the RFP via this Addendum 3 and is attached to this Addendum 3. Proponents should note that the average length of tenancy across the scatter portfolio is fourteen and three-tenths (14.3) years.

Question 6:

Once a proponent is successful, can another non-profits approach them to take over some of the bundles to help them or be beneficial to them?

Answer 6:

Proponents should refer to Section 5 of Annex A – Term Sheets for a description of assignments or agreements that require City consent.

Question 7:

Who is responsible for the base boilers in the houses?

Answer 7:

TCHC will be responsible for the maintenance of the houses until after the transition period.

Question 8:

In regard to joint bids, please confirm whether only the proponent identified as the lead proponent signs the contract.

Answer 8:

One (1) or more proponents may be selected to execute the contract. The determination of which selected proponent will be required to sign the contract in the case of a joint bid will be influenced by the nature of the proposal and determined during the negotiation period.

Question 9:

The RFP states that some identified properties may be removed from the list. What are the conditions around when and how that would occur?

Answer 9:

Please refer to Annex A – Schedule A – Agreement of Purchase and Sale of the RFP for conditions where properties may be removed. Beyond the conditions outlined in Annex A – Schedule A – Agreement of Purchase and Sale, the City currently does not know of any circumstances where properties would be removed from the bundles; however, the City recognizes that new information may be discovered through this process and will provide that information as required.

Question 10:

In the documents, the City had a total amount of utilities in the budget for a certain year, but there was no break down the way there was for property taxes. Will there be a breakdown and whether or not tenants will be responsible for their utilities?

Answer 10:

For details regarding TCHC utility payments and units where the utilities are paid by tenants, please refer to Annex L – Utility Information, which is incorporated into the RFP via this Addendum 3 and is attached to this Addendum 3.

Question 11:

Can there be a panel of tenants that are consulted before the final choosing of a proponent?

Answer 11:

No – only City and TCHC staff members will form the evaluation team for this RFP.

Question 12:

Is there any way to share a list of non-profits that are here at the information session so non-profits can potentially collaborate on a bid?

Answer 12:

No information about attendance or participation in the Pre-Bid Meeting will be shared. Additionally, no document takers' lists or intentions to participate will be published.

Question 13:

In regard to fragmenting or carving out heritage properties, is it theoretically possible that, the deal works, and we sell all the properties, except the heritage ones? Is that something that you can take to council, or is it not conceivable under the report?

Answer 13:

The intent of the RFP is to transfer the ownership and operation of each complete bundle of houses to selected proponent(s). It is not the City's intention to further fragment or carve out the existing bundles. Proponents are welcome to submit information as part of their Asset Management Strategy outlined in Section E of Appendix D related to how they would like to address the heritage properties in the portfolio.

Question 14:

Does the announcement by the mayor of a separate charge of 1.5% against the taxpayers have any affect against the RFP to where we are today?

Answer 14:

No.

Question 15:

Does the City have a list of which of the properties are vacant right now and which are deemed uninhabitable?

Answer 15:

The City and TCHC have not posted any units for sale that are considered by TCHC to be uninhabitable. Please refer to the answer to Question 3 above regarding up-to-date vacancy lists.

Question 16:

In regard to how quickly vacant properties are rented, are you able to provide information on how quickly that target moves?

Answer 16:

Please refer to the answer to Question 3 above regarding up-to-date vacancy lists. It will be the responsibility of the housing provider to develop a procedure to fill vacant units, in compliance with a City approved access plan.

Question 17:

Is the City able to provide additional information in regard to how vacancies are filled and whether proponents need to draw down names off the City list of those in need of affordable housing?

Answer 17:

Please refer to Annex A-1 Social Housing Agreement Term Sheet, paying specific attention to the requirement for an Access Plan. Proponents should note that the RFP does not directly state that use of the City's RGI waitlist system is required; however, it will be the responsibility of the housing provider to develop a procedure to fill vacant units. Proponents should prepare and submit a proposed access plan as part of their proposals as stated in vi) Operational Plan and Funding Requirement of the Initial Evaluation Criteria (Appendix D - RFP Particulars of the RFP).

Question 18:

Is the City able to repeat the Operating Expense Summary similar to the one that had been done in the REOI in 2017?

Answer 18:

No.

Question 19:

Two of the Building Addresses in Annex F are 241 Sherbourne St., and 23 Madison Ave but neither address appears in Annex B, the list of houses covered by the RFP. Can you clarify?

Answer 19:

Both 241 Sherbourne Street and 23 Madison Avenue are rooming houses and should be removed from Annex F – List of Scattered Houses with Heritage Designation. By way of this Addendum 3, Annex F – List of Scattered Houses with Heritage Designation is replaced by

Annex F – List of Scattered Houses with Heritage Designation – REVISED, which is attached to this Addendum 3 and has been updated to correct the above.

Question 20:

In reviewing the properties with Heritage Designation, I have noted the following discrepancies. Please clarify if the properties listed in Annex F but missing from Annex B are excluded from the portfolio and also where the total number of total units do not align, what does this mean, what is the total number of units at that address and are all of them designated Heritage? Please advise. (See attached email)

Answer 20:

Please refer to Annex F – List of Scattered Houses with Heritage Designation – REVISED, which, by way of this Addendum 3, Annex F – List of Scattered Houses with Heritage Designation is replaced by Annex F – List of Scattered Houses with Heritage Designation – REVISED, is attached to this Addendum 3, and has been updated to correct the above.

Question 21:

Could you help me locate a map of the scattered house bundles?

Answer 21:

Please refer to Annex C - Map of TCHC Single Family Houses, which is available here: <https://www.toronto.ca/wp-content/uploads/2019/10/984a-RFP-TF-2019-001-ANNEX-C-Map-of-TCHC-Single-Family-Houses.pdf>

[End of Addendum 3]