

The Parkdale Hub - West Block (Block A) Request for Proposals Opportunity to Develop and Operate Affordable Rental Housing

Addendum #3

July 24, 2025

CLARIFICATIONS, CORRECTIONS and ADDITIONS:

1. In Appendix 12 Forms of Agreement: West Block (Block A) – Key Terms Sheet, Schedule C, the following changes will be made:
 - 1.1. The heading shall read as follows: Schedule C – Community Space Sublease and Project Agreement Terms and Conditions.
 - 1.2. In the first bullet point of **1. Community Space Description**, where it says “(basement, ground, and mezzanine levels built to the specifications outlined in the future Project Agreement),” it should be rewritten as “(a combination of the basement, ground floor, second floor, third floor or mezzanine levels as required).”
 - 1.3. The fourth bullet point in **3. Community Space Design** shall be replaced with the following:
 - The Community Space may include, but is not limited to; appropriate space for an accessible reception area, waiting area, circulation, administration, lobby, public and private washrooms, offices, kitchenettes, kitchens, community kitchen, food storage, storage, flexible multipurpose spaces, meeting rooms of varying sizes with appropriate audio visual equipment, client consultation rooms, clinical spaces, artist studios with appropriate plumbing, sinks and ventilation, performance areas, display areas, laundry room, barrier-free washroom with integrated shower, and training rooms if required. Spaces within the Community Space to be determined per the co-design process as described in the Project Agreement.
 - 1.4. The final sentence under **3. Community Space Design** shall be replaced with the following:

All phases of the design and construction process are subject to the prior approval of the City.

QUESTIONS & ANSWERS:

1. Is it possible to submit a proposal that includes more than 24 pages? Is there a page size limit? Will double sided pages be counted as 1 or 2 pages? Are the following three forms (Appendix 3, 4, 9) part of the 24-page limit?

Please limit your proposal narrative to 24 pages, 11-point font, standard 8.5X11 page size, and each page must have page numbers. Any double-sided pages will count as two pages. Appendix 3, 4, 9 do not count towards the 24-page limit.

2. Can you please clarify which items can be included as part of the “unlimited appendices”? i.e. Can our corporate financials (statements and reports) and financing plan be presented in the appendix and not count towards the page limit?

Yes, corporate reports and audited financial statements are appendices to your proposal, and do not count towards the 24-page limit. All corporate documents, resumes and reference letters are appendices.

3. Is the Executive Summary including the Letter of Introduction, Table of Contents and Summary of the Proposal, counted in the 24-page limit to the RFP submission or is the 24- page limit start for the weighted sections only?

Table of Contents does not count towards 24-page limit;
Executive Summary and the Letter of Introduction will count towards 24-page limit.

4. The Executive Summary and Offer to Lease is not scored. Does this mean that these two sections will not form part of the 24-page limit?

Executive Summary will count towards 24-page limit, but the Offer to Lease will not.

5. May we present the Gantt chart on an 11x17 page?

Yes, Gantt chart may go on 11X17 page, but legal size (8.5X14) and letter size (8.5X11) is preferred.

6. RFP Section 5.3.4.5. requests “one resume per consulting firm”. Does this mean that the city is looking for us to provide only one resume from the builder, one from the general contractor, one from the architect, etc.?

Yes, please limit submission of one resume from each key consultant and contractor. You may also append general corporate profile with a list of completed projects.

7. Please clarify the difference between sections 5.3.4.4 and 5.3.5.3.

Section 5.3.4.4 is the list of key members of the development and construction team. Section 5.3.5.3 is the list of key members of the operations and property management team.

8. Do the responses to Sections 5.3.6.5 to 5.3.6.10 need to be included in the written response or is inclusion in the completed excel document in Appendix 9 sufficient?

Please address 5.3.6.5 to 5.3.6.10 in the main Proposal document if they are not expressed in detail in the Appendix 9 Budget Forms and in additional appendices.

9. Will the city accept proposed changes to the Offer to Lease? Could these changes be included in the signed Offer to Lease which is required for the RFP submission?

Changes to the Offer to Lease will not be accepted. The Offer to Lease must be signed and submitted with the Proposal. If there are questions on the Offer to Lease, please send to HousingSecretariatRFP@toronto.ca and the City will determine if a change to the Offer to Lease is necessary.

10. When will the city provide the \$17.7 million in capital costs for the Community Hub Space and what should we assume in the monthly cash flow required per Section 5.3.6.10 of the RFP?

Capital funding for the Community Space will be advanced according to construction milestones to be determined by the City and specified in the future Contribution Agreement that will be executed by the City and the Proponent. A typical Agreement will have milestone schedule where advance will be made at (i) signing of the agreement (ii) first building permit (iii) structural framing (iv) first occupancy. Please reference Appendix 12 – Forms of Agreement – “Contribution Agreement” Section 4.4.

11. Schedule C to the Offer to Lease which outlines the Community Space requirements references dedicated parking spaces associated with the Community Space and visitor/pick-up/drop-off areas. Is this still required as the

RFP document notes that no parking is required to be delivered for the West Block?

The City intends to pursue a minor variance to zoning to remove the parking minimum for West Block ("Block A"). Upon approval of this variance, the zoning by-law will be amended accordingly, and a dedicated parking space will no longer be required for Block A.

12. Is the community space subject to Development Charges?

Community space (non-residential space on the ground floor) is subject to Development Charges (DC). For the latest DC rates, please see the following site: [Bylaws, Rates & Study – City of Toronto](#)

13. What is the existing relationship between the redevelopment site and the building located at 1347 Queen Street West? What will be the status of this building during construction? What is the status of any agreements or discussions with the property owner?

1347 Queen Street West is a privately owned property. The City does not have direct relationship with the owner of this property. It is up to the developer (Successful Proponent) to obtain any construction related agreements with the property owner(s) at 1347 Queen Street West.

14. What is the status of the lease with the tenant (Dollarama) at 1337 Queen Street West? Are there any other commercial leases associated with any of the buildings in the West Block?

1337 Queen Street West is owned by the City of Toronto and currently leased to the Dollarama operator. Prior to the signing of the 99-year Lease between the City and the Successful Proponent, the City will serve notice to terminate the Dollarama lease. There are no other commercial leases on West Block.

15. What is the status of the agreements and easements with the TCH property at 245 Dunn? Loading/shared access agreement, Tiebacks, encroachments, etc.

The City is negotiating all relevant agreements related to shared access and easements with TCH for the property at 245 Dunn Avenue. The City will release information once the City and TCH mutually agree to have information public or to release to the Successful Proponent. Construction related agreements (i.e. tiebacks, encroachments,

crane swing) with TCH for the development at West Block is the sole responsibility of the Successful Proponent.

16. Will CreateTO or another City agency be responsible for overseeing the RSC/CPU process to completion?

Yes, CreateTO has been and will continue to oversee the Risk Assessment process, and will obtain the Record of Site Condition (RSC) and Certificate of Property Use (CPU).

17. What level of support and/or resources will be made available to support the relocation of existing residential tenants?

The City will develop a tenant relocation and assistance plan to ensure that the returning tenants are assigned a unit in the new building on the West Block, or receive appropriate compensation at cost to the City.

18. Can the \$17.7m capital contribution be allocated as equity for the project?

\$17.7 million capital contribution from the City can be considered equity for the project for the purpose of the construction loan application, however it is a forgivable loan that will be forgiven over the term period in the Contribution Agreement and will be advanced upon meeting specific development and construction milestones and conditions, with the final advance at the issuance of the occupancy permit

19. The City has indicated that proposals should align with current zoning, however, page 9 of the RFP indicates that the allowable non-residential floor area is 1,130 m², whereas the City is requiring 23,300 sf (2,164 m²) of Community Space. Please confirm if the 23,300 sf of Community Space is permitted under current zoning and, if not, how the City will work with the Successful Proponent to resolve this?

The RFP states 1,130 m² of non-residential space in 1.0 Introduction (page 3) and in Table 1 (page 8), which is the Summary of the Parkdale Hub Proposal originally published in the staff report for the Official Plan and Zoning By-law Amendment application in 2023. This is for information, not a requirement. By-Law 1145-2023 states a *minimum* of 500 m² of gross floor area for non-residential use required on Block A. For this RFP, the City requires the Proponent to make available 2,164 m² dedicated to Community Space that will be leased back to the City. This requirement is also stated in Schedule B Site Specific Requirements in the Key Terms Sheet. For further clarity gross

floor area in the basement does not count under zoning but counts towards the delivery requirement for the Community Space.

20. Page 24 of Appendix 8 - Current Rent Levels states that "operating assumptions for the nine rental replacement units should be \$1,180 (utilities included)." Please confirm that \$1,180 is the assumed rent per replacement unit and not the operating cost.

\$1,180 per month (utilities included) is the assumed rent per replacement unit. It is not operating cost.

21. For rent supplement modelling purposes, should we assume the top up to be 100% of Average Market Rent (AMR) for the Rent-Geared-to-Income units or is the max city subsidy up to the affordable rent per unit type as advised through the Rental Housing Supply Program (RHSP)?

Proponents may assume that the City will provide top-up subsidy for Rent-Geared-to-Income units up to the RHSP affordable rent per unit type as published annually by the City. For the proposal submission, please use the rate listed in Appendix 8 Current Rent Levels.

22. For Rent Controlled Homes, we understand that upon initial occupancy, rent levels will be set, and after that, rents will increase by only 2%. Upon turnover, are rents for Rent Controlled Homes limited to 2% annually? If such rents eventually reach levels of 100% AMR, is the City open to considering resetting the Rent Controlled Homes Rent levels at a future date (likely 10-20 years in the future)?

Please note the maximum rent increase in rent-controlled homes is "the rent increase guideline plus 2 per cent". On turnover, the new starting rent cannot exceed 150% of average market rent for Toronto for the year it occupies. See the definition of rent-controlled from in the Contribution Agreement:

"Rent Controlled Rent" means Monthly Occupancy Costs that are at or below one hundred fifty percent (150%) of the Average Market Rents when first charged to a new tenant, and that are increased in respect of a tenancy not more than annually and by no more than the Rent Increase Guideline plus two per cent."

If the definition of rent-controlled homes changes in the future, those changes will not apply to this project once a Contribution Agreement has been executed. The definition above would remain applicable.

23. The 99-year land lease between the City will trigger land transfer tax for the fair market value of the lease. Does the City have an estimate it can share for the fair market value of the lease? Is the City able to waive/exempt the municipal portion of the Land Transfer Tax?

The City does not have an estimate at the current time. The City will not waive the municipal portion of the Land Transfer Tax. The Proponent should make assumptions on the valuation of the leasehold parcel and budget appropriately for the Land Transfer Tax in its pro forma.

24. The RFP & addendum stipulate that the proponent is responsible for construction and fitting out the community space. To ensure a fair RFP process, can the City please provide the standard sq ft cost that the City request that proponents hold in their capital budgets specifically for the fit out of the community space?

The following are general estimates based on past project studies. The proponents may consider these estimates as a resource and use it completely at their discretion. The standard cost for the fit up of the Community Space may be \$280 to \$350 per square foot for the common areas and \$210 to \$260 per square foot for the subtenant spaces/rooms.

25. Regarding 5.3.6.1 Proof of corporate financial viability, our organization is new and does not have audited financials; we will be providing a letter from a financial institution or accountant. Will the City be releasing a template for this letter? Letters from an accountant that have any level of assurance require assurance procedures (under the Canadian Assurance Standards) and we have been asked whether a form report from the City will be made available by our CPA firm.

Audited financial statements are strongly encouraged. If the Proponent does not have three years of audited financial statements, then the City may consider the assurance letter confirming that a Review Engagement was conducted according to appropriate Canadian accounting standards. The City does not have a form to issue for this purpose. The Proponent should also consider the requirements of the lenders like CMHC, where alternatives to audited financial statements may or may not be acceptable.

26. The Risk Assessment Report drafted by EXP and uploaded to the City's RFP website refers to a PRB (Permeable Reactive Barrier) but it is not included as a long-term risk mitigation strategy within the report. If, by way of the Risk Assessment review process the MECP recommends ongoing monitoring of the PRB, who is responsible for this monitoring and associated costs from an

operational standpoint? And if ongoing groundwater contamination is detected through this monitoring, who is responsible for any contingency measures, and associated costs, that may be required?

Please reference the Key Terms Sheets 1.c) Demised Lands, 16. a) Confirmation and Release, and 16 b) Environmental.

27. If the PRB referenced above is required to remain in situ during and post construction, is there a setback or exclusion zone buffer around the PRB we should be aware of?

To avoid potential issues related to excavating into the PRB, which could reduce its efficacy and lifespan, it is recommended that all excavations be conducted at least 2–3 meters away from the PRBs. A plan should be developed to prevent impact during excavation, shoring and foundation work. Please refer to the PRB Location Plan (page 462 of the Tier 3 Risk Assessment).

28. Section 2.3 of the RFP indicates the City is completing a Tier 3 Risk Assessment (RA), a Certificate of Property Use (CPU) and a Record of Site Condition (RSC). However, in Appendix 9 there is reference to the proponent being responsible for the Phase One and Two ESA and RSC. Please confirm who is responsible for obtaining the RSC?

Phase One ESA and Phase Two ESA are complete. CreateTO, on behalf of the City, is in the process of obtaining the Record of Site Condition. In Appendix 9 Capital Form, Proponents may include consulting fees for its own environmental due diligence. Proponents may also include an amount under Hard Costs for excess soil management.

29. Will the City make the Phase One ESA (and any revisions) and Phase Two ESA reports available for download?

The findings from the Phase One and Phase Two Environmental Site Assessments (ESA) are summarized in Appendix K of the Tier 2 Risk Assessment, which is already available for download.

30. Is there a geotechnical report which the City will make available with details on the soil bearing capacity for the West Block?

Geotechnical Investigation Report will be made available for download.

31. Page 9 of the RFP outlines the required unit mix for 171 units, as per the zoning bylaw:

1 Bedroom: 94 units (55%)

2 Bedroom: 61 units (35%)

3 Bedroom: 16 units (10%)

If we propose a higher total unit count, are we still required to maintain these same percentage allocations for each unit type?

The Proposal must meet the requirements in Key Terms Sheet, Schedule B Site Specific Requirements (in Appendix 12 Forms of Agreement), where it says minimum of 50% net-new affordable rental units. On May 21-22, 2025, City Council approved [2025.PH21.4](#), in which Parkdale Hub was identified as a Toronto Builds Project. Please reference page 19 of the [staff report](#), which describes the target unit mix and size.

32. Per the City of Toronto's Affordable Rental Housing Design Guidelines, one bedroom units should be at least 525 sq ft and the average size of all one bedroom units combined should be at least 590 square feet (+/- 5%), meaning the average size can be no less than 560.5 sq ft (accounting for the -5%). If all proposed one bedroom units in our design are the same size, does this mean that each unit must be at least 560.5 sq ft to meet the average size requirement? Or is it sufficient for the 1 bedroom to be at least 525 sq ft (as per the individual unit size guideline).

It will be sufficient for one bedroom unit to be at least 525 sq ft.

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