

Quayside – Phase 1 Request for Proposals Opportunity to Build, Own and Operate Affordable Rental Homes on City-owned Land

Addendum #1

July 18, 2025

CLARIFICATIONS, CORRECTIONS & ADDITIONS

1. In the RFP, under Section 1.1 Purpose (page 4), delete the bolded data points in this sentence: “Three (3) stratified affordable housing buildings with approximately 140, 120 and 120 ARH units respectively (Blocks 1C1, 1C2 and 1C3)” and replace with 141, 119 and 119, respectively.
2. In the RFP, under Section 2.0 Affordable Rental Housing Units in Phase 1 (page 9), in Table 1 – Estimated Number of Units (all estimates are subject to change) delete the data points in Est. ARH GFA (sq. Ft) column and replace with the following:
 - for Block 1B: 122,365,
 - for Block 1C1: 112,400,
 - for Block 1C2: 90,657 and
 - for Block 1C3: 90,657.
3. In the RFP, under Section 1.1 Purpose (page 5), the following point has been removed:
 - one eligible and qualified Proponent representing a consortium of experienced Indigenous, non-profit, or co-operative housing organizations for all ARH Blocks in the Project.

As the result, the City will not allocate any higher scores for proposals from one proponent representing a consortium of eligible proponents (over proposals from eligible and qualified proponent(s) applying directly for one or more ARH blocks independently).

4. In the RFP, under Section 4.3.4, please note the addition of the following:

4.3.4.6 - If the Proponent has a CMHC mortgage loan, CMHC-insured loan, or other mortgage that is in default; are bankrupt or currently under Companies’ Creditors

Arrangement Act (CCAA) protection; have an outstanding judgment registered against them for default on other loans or financial obligations; or have executed a quit claim (voluntary transfer of title) within the preceding two-year period, a full disclosure should be included within the Proposal.

QUESTIONS & ANSWERS

- 1. Can you clarify the role the non-profit would play in the development of the sites – given the RFP outlines mandatory agreements with QILP to be the development manager, agreement with a construction manager and additionally there will be an owner’s representative role, depending on the number of Successful Proponents.**

QILP (or a related entity) will be the Development Manager and will hire a Construction Manager who will construct the project.

The Successful Proponent’s role as it relates to the development include:

- Lease stratified parcels where the affordable rental homes will be located from the City of Toronto for 99 years at nominal rent to construct, own and operate the affordable rental homes;
- Apply to CMHC under the Affordable Housing Fund (AHF) for construction funding and financing, and upon approval by CMHC, will enter financing agreements with CMHC;
- Enter into agreements with the Construction Manager (modified CCDC 5B) and participate in decisions for development and construction related matters as owner, through the Owner’s representative.
 - Depending on the number of Successful Proponent(s), the City will hire an Owners Representative to assist with coordination of development and construction of the Project with the Development Manager and Construction Manager. Successful Proponent(s), along with the City, will hold the Owners’ Rep agreement.

- 2. What is the expected timeline to secure required funding and financing from Canada Mortgage and Housing Corporation (CMHC)?**

CMHC is crucial in delivery of affordable rental housing, and Successful Proponents selected through this RFP will need to meet the criteria for CMHC’s Affordable Housing Fund (AHF) and apply directly to CMHC for funding and financing.

The City has been working with CMHC as part of advancing this project to ensure sufficient funding and financing is available subject to the results of CMHC's review and underwriting process of the Successful Applicants.

Successful Proponent(s) are expected to submit an application under AHF to CMHC by no later than October 31, 2025 to maintain construction start timelines.

3. Is there any possibility for extension to the application deadline to allow proponents form partnerships between multiple partners. Will responses be provided with reasonable time to adjust applications based on the updates?

RFP timelines are set in consideration of overall project timelines to apply to CMHC for funding and financing, advance the project through various milestones to maintain construction start by no later than Q3-2026.

The City will do its best to provide answers to questions received on an ongoing basis in consideration of the RFP submission deadline.

Please see the clarification above on Page 1. As noted, the City will not include any higher scores for proposals from one applicant representing a consortium of eligible proponents over proposals from eligible and qualified proponent(s) applying directly for one or more ARH blocks independently.

4. Do the project costs provided only include the affordable unit cost? Can you provide cost per sq ft per ARH Block?

The cost estimates for Block 1B include the affordable unit costs as well as proportionate share of below grade, access and shared area costs.

The cost estimates for Blocks 1C1, 1C2, and 1C3 include all costs related to the building, minus cost for retail and urban garden that will be the responsibility of QILP.

Cost estimates are currently estimated at:

- 1B - \$643 cost per sq. ft.
- 1C1 - \$787 cost per sq. ft.
- 1C2 - \$750 cost per sq. ft
- 1C3 - \$728 cost per sq. ft.

Please note that cost estimates are preliminary based on Class D estimates, and subject to change. The City will provide Successful Proponent(s) with most updated costing information to be included in the AHF application. The assumptions provided should be used as is in the AHF workbook and can be used to support funding asks relevant to the assumed costs.

- 5. Blocks 1C1, 1C2, and 1C3 were previously described as a mass timber building and the design indicated a significant number of balconies. This will greatly increase the asset management costs long term. Is there ability to provide input to the design and building to better align what works best for non-profit affordable housing?**

The City is working closely with Waterfront Toronto and QILP to advance the schematic design of the 1C buildings (concurrently with the RFP). During this process, there have been changes to the design such as that 1C buildings will have a concrete built-form, brick elevations, and juliet balconies (rather than projecting balconies). Given the project timelines, there will be limited opportunity for Successful Proponent(s) to inform the design.

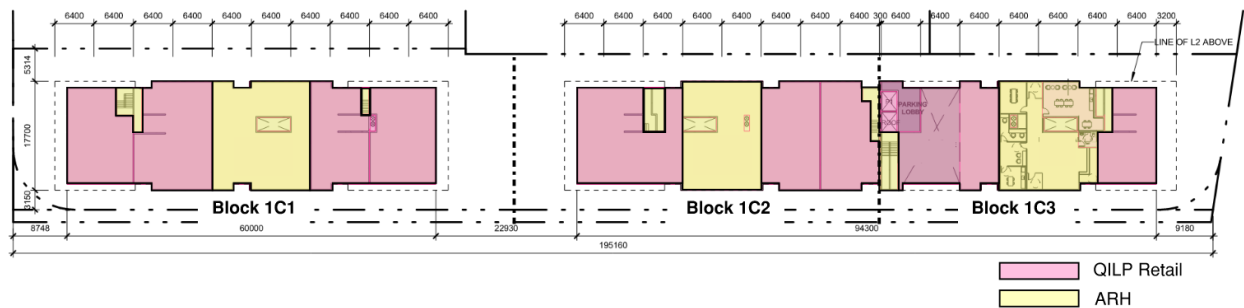
The City is ensuring the design for affordable rental homes are reflective of current best practices as it relates to management and operations of the affordable rental homes in long-term.

- 6. Please provide further information on the ground floor retail in the 1C Block.**

The ground floor retail in the 1C Block is estimated as follows:

- Block 1C1 – ~7,400 sq. ft.
- Block 1C2 - ~5,800 sq. ft.
- Block 1C3 - ~4,200 sq. ft.

The areas provided are estimates and are subject to change. A drawing is provided for reference:



- 7. Please provide the breakdown of the Project Cost per block (including hard cost, soft cost and financing)?**

Please see Appendix 6 for the breakdown. Please note that cost estimates are preliminary based on Class D estimates, and subject to change. The City will provide Successful Proponent(s) with most updated costing information to be included in the

AHF application. The assumptions provided should be used as is in the AHF workbook and can be used to support funding asks relevant to the assumed costs.

8. Who is the Quayside Construction Manager?

The Construction Manager for the site is not yet hired. The city will provide this update when available, either as part of the RFP or as part of negotiations with the Top Scoring Candidate(s).

9. Does the Project Cost numbers in Table 4 include the cost of all municipal fees and permits associated with affordable rental housing?

Yes, the project costs are inclusive of municipal fees associated with affordable rental homes in each of the ARH blocks. The estimated \$64K/unit in incentives should be counted as a contribution against the project cost.

10. Does the ARH Block(s) include community and staff office spaces?

Schematic design of the ARH buildings is currently underway (concurrently with the RFP). Each ARH Block will include tenant amenity spaces. Current design also includes some staff spaces planned for each of the 1C Block buildings as well.

There are no community spaces that will be open to the public currently planned for the ARH Blocks.

11. Please include what cost items are included in the hard and soft costs included in Appendix 6?

The current budget estimates provided in Appendix 6 includes all acceptable projects costs. Hard costs include, but are not limited to, construction costs, construction management fees, soil remediation. Soft costs include, but are not limited to, municipal fees, and allowance for design and consultants' fees (architect, engineer, etc.), and legal fees.

Organizational costs associated with start up (such as office furniture) are not included in these cost estimates.