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This Addendum forms part of the above mentioned RFVQ document and is to be read, interpreted, and coordinated with all other parts. The following revisions supersede the information contained in the original RFVQ documents issued for the above-named project to the extent referenced and shall become part thereof.

### **SUBMISSION DEADLINE**

The Submission Deadline, as stated in the RFVQ Timetable, has been changed to Friday August 24<sup>th</sup>, 2018. The closing time remains the same at 2:00:00 p.m. Toronto time.

### **QUESTIONS & ANSWERS**

Q1. (a) Section 2.2 of the RFVQ notes that “New Buildings in Regent Park will be required to connect to the district energy system, operated by Regent Park Energy”. Our questions are as follows:

Will the Developer be required to pay a residential or commercial connection charge to connect to the district energy system?

- i) If there is a residential connection charge how will the charge be calculated?
- ii) If there is a commercial connection charge how will the charge be calculated?
- iii) If the Developer and Regent Park Energy disagree on the amount of the connection charge(s) how will the dispute(s) be resolved?

A1.(a) It is TCHC’s intention to connect new buildings to the district energy (DE) system at market rates. Our standard TECA (Thermal Energy Connection Agreement) and TESA (Thermal Energy Service Agreement) term sheets will be provided in the Stage 2 RFP.

There will be an opportunity for proponents to propose alternative rate structures or options that provide a value proposition to TCHC as part of the Stage 2 RFP.

Q1. (b) Will the Developer be required to force the market condominium developments to have their heating and cooling provided only via Regent Park Energy?

A1. (b) [Refer to the response for Q1 \(a\).](#)

Q1.(c) Is Toronto Community Housing able to guarantee that market condominium developments will pay no more for heating and cooling than a market condominium development serviced by a stand-alone heating and cooling system (natural gas and electricity)?

A1 (c). [Refer to the response for Q1 \(a\).](#)

Q1. (d) If the Developer is required to force the market condominiums to only receive their energy from Regent Park Energy and the district energy system fails, will Toronto Community Housing indemnify the Developer from legal action associated with a failure by Regent Park Energy to provide heating or cooling?

A1 (d) [TCHC is open to different considerations, including providing a similar indemnification that a Developer normally provides to market condominium owners for when a standalone system fails.](#)

Q1. (e) If the market condominiums dispute the on-going costs and fees that form part of the agreements entered into by the Developer on behalf of the market condominiums will Toronto Community Housing indemnify the Developer from all legal action as a result of the market condominiums requirement to connect to the district energy plant?

A1. (e) [No. Similar to any other contracts that the Developer enters into on behalf of a condominium, no indemnification will be provided by TCHC.](#)

Q1.(f) Will the Developer be required to force the market commercial developments to only receive their energy from Regent Park Energy?

- i) If the commercial tenant incurs additional capital costs to connect to the district energy plant will the Developer receive any credit from Toronto Community Housing to address the additional costs associated with a district energy connection incurred by their commercial tenant?
- ii) Is Regent Park Energy able to guarantee that the commercial tenants will pay market costs to heat and cool their tenanted spaces, including taking advantage of waste heat and 'free cooling' in shoulder seasons?

A1. (f) i) TCHC will not be providing Developers credit for additional capital costs, if any, for connecting to district energy. There will be an opportunity for proponents to offer a value proposition as part of the Stage 2 RFP. (please refer to the response for Q1 (a)).

ii) Commercial tenants will be expected to pay District Energy market rates.

Q1. (g) Will market condominium townhomes be required to connect to Regent Park Energy?

A1 (g) No. Standalone townhouses are not required to connect to district energy.

Q1. (h) Can Toronto Community Housing provide a copy of a standard residential and commercial contract between Regent Park Energy and their customers?

A1 (h) TCHC's standard TECA (Thermal Energy Connection Agreement) and TESA (Thermal Energy Service Agreement) term sheets will be provided in the next stage of the RFP.

Q1. (i) Who will be responsible for the installation of the energy transfer station in the market condominium developments?

A1 (i) TCHC reserves the right for Regent Park Energy Inc. to install the Energy Transfer Stations (ETS). TCHC will consider the developer installing the ETS if there is a demonstrated benefit to TCHC.

Q1.(j) Will the Developer be compensated for the revenue lost from the parking spaces required for the energy transfer station or connection to the district energy plant?

A1 (j) Based on TCHC's experience it should not take more space to install a district energy system than a standalone system. Therefore, there will be no compensation for parking spaces.

Q1. (k) If the District Energy System were to fail how long would it take to have a fully operational system able to provide heating or cooling to commercial and residential customers?

A1. (k) The DE system at Regent Park has been operating reliably over the last 10 years. Failure can occur in any system, including standalone heating and cooling systems. For any unforeseen failure, RPEI will make commercial reasonable efforts to restore the DE system in a timely manner.

Q1. (l) Would Toronto Community Housing provide compensation to the residential and commercial customers for an extended outage?

A1. (l) Refer to the response for Q1 (k).

Q2. (a) Section 2.5, in discussing Phases 1, 2 and 3, notes “... the intent of the Secondary Plan has been preserved and any changes were sufficiently minor to have been approved through the Committee of Adjustment.” Does Toronto Community Housing intend that the successful Developer will limit any proposed development changes in Phase 4 & 5 to a De minimis nature or is the Developer able to propose any type of rezoning changes to the lands they wish?

A2. (a) TCHC most recently made changes to the Secondary Plan as part of the Phase 3, 4 & 5 rezoning. Since then, variances from the 2013 zoning have been minor. For the purposes of this procurement process, proponents should rely on the as-of-right zoning.

Provided that the intent of the Secondary Plan is preserved, the Developer may propose rezoning changes to TCHC, however the Stage 2 RFP will be evaluated based on the existing as-of-right zoning.

Q2. (b) If a rezoning is permitted by Toronto Community Housing has that been factored into the proposed timing of the development?

A2. (b) Any timing articulated in the RFVQ document does not include time to undertake a rezoning.

Q3) Will Phases 4 & 5 be developed simultaneously or does the Developer need to allow for a staged approach to development due to the relocation of Toronto Community Housing tenants?

A3) Proponents should anticipate a staged approach to development.

Q4) Section 4.1.2.c, notes that respondents are to provide information on “business partners, passive investors and financial backers”, does Toronto Community Housing have a definition of each?

A4) TCHC does not have specific definitions for these terms. Generally, the requirement for section 4.1.2.c. is for the respondent to indicate any entities that will have a business interest in the project or who will have a role in financing the project. Guidelines are provided below.

Business Partner

The requirement is to identify any entity with whom the respondent will partner with to actively provide the services and fulfill the obligations of Development Partner and Construction Manager for Regent Park 4 &5. Depending on the respondent’s intended arrangement, this information may have been provided through the response to 4.1.2.a.

Passive Investors and Financial Backers

The requirement is to identify any entity who would provide any form of financing or financial support to the respondent that is necessary for the respondent to undertake its proposal and provide the services and fulfil the obligations of the of Development Partner and Construction Manager for Regent Park 4 &5.

Q5) Section 5.7 requests an electronic copy of the submission, is that format to be a PDF?

A5) PDF is preferable.

Q6) Section 5.9 notes that “Consequently, respondents are advised that contact with any agency or party other than the Contact Person regarding Regent Park or this RFVQ process is strictly prohibited”. Does the reference to “any agency or party” relate to government agencies (municipal or wholly owned municipal) or is the definition broader? If the definition is broader who are the agencies that the respondents cannot communicate with?

A6) The definition is specific to TCHC regarding facts related to the procurement process/project. Please note that communicating with any person with a view to influencing preferred treatment in the procurement process is prohibited. This includes but is not limited to lobbying TCHC staff and Board of Directors, TCHC tenants, and/or TCHC Shareholder (i.e. the City of Toronto, City Staff, and/or City Councillors, etc.) and community groups. Such lobbying will not be tolerated and will lead to disqualification.

Q7) Appendix A, Section 2.6, refers to “pricing envelopes”, what pricing is expected with this RFVQ?

A7) There is no pricing expected with the RFVQ.

Q8) Appendix A, Section 2.6, refers to “Stage III of the evaluation process”, what is Stage III?

A8) This is an error. Appendix A, Section 2.6 should refer to Stage 2 of the evaluation process.

Q9) Appendix B, Section 8.1 refers to “lobbying of decision makers involved in the RFVQ”. Has Toronto Community Housing provided a list of who the decision makers are with respect to the RFVQ so that the Developer does not inadvertently discuss the RFVQ with a decision maker while forming the response to the RFVQ?

A9) For the purposes of this RFVQ, decision makers are TCHC employees. Communication regarding the RFVQ is only through the Contact Person. Please refer to section 5.9 of the RFVQ.

Please note that Communicating with any person with a view to influencing preferred treatment in the procurement process is prohibited, this includes but is not limited to the lobbying of TCHC staff, TCHC Board of Directors, TCHC tenants, and/or TCHC Shareholder (i.e. the City of Toronto, City Staff, and/or City Councillors, etc.) and community groups. Such lobbying will not be tolerated and will lead to disqualification.

Q10) Is there an interest in a mix of condos and purpose built rental?

A10) TCHC remains open to any mix of housing which Proponents would like to propose.

Q11) Is there an interest in a company applying for only one of the two phases?

A11) No.

Q12) Would the successful proponent have the opportunity to manage the purpose built rental buildings?

A12) TCHC will retain ownership of, and manage, the social housing buildings.

Q13) What percentage of the development will be affordable housing (rental and/or ownership)?

A13) There are currently no targets for the percentage of affordable housing to be provided. TCHC has an obligation to maintain a ratio of replacement units (which includes both rent-geared-to-income and affordable units) to market units as part of the revitalization.

Q14) What form of funding will be provided for the affordable housing component? Will the affordable rental housing be owned by TCHC or by the developer?

A14) There is currently no funding committed for the provision of affordable housing, however TCHC welcomes suggestions for innovative ways of contributing to the provision of a mixed-tenure community.

Q15) Are there any restrictions or conditions associated with potential start dates for either of these phases?

A15) TCHC is required to lift the Holding Symbol (h) on Phases 4 & 5 and enter into a subdivision agreement with the City of Toronto prior to the commencement of construction.

Q16) Is there a guideline (maximum period) in which the project can be phased?

A16) No, although TCHC prefers that the project be delivered as expediently as possible.

Q17) What is the status of the Regent Park Child and Youth Hub referred to in the Lessons Learned recommendation #14?

A17) The Child and Youth Hub is currently under development by Dixon Hall as part of Phase 3 of the revitalization.

Q18) What are the current community uses within the existing buildings of Phases 4 & 5?

A18) There are informal community uses in some of the existing Phase 4 & 5 buildings, however TCHC has fulfilled its obligation to replace community uses that existed at the start of the Revitalization. Notwithstanding the fulfillment of TCHC's replacement obligations, a number of agencies and organizations have approached TCHC for space in Phase 4 & 5. Additionally, TCHC and the Toronto Public Library have begun discussions regarding the potential for the relocation of the Parliament Street Library in the Regent Park footprint.

Q19) Is there a requirement for a construction manager at this stage of the RFVQ?

A19) Yes.

Q20) Will there be an opportunity to elaborate on our project vision at the RFP stage, or are proponents expected to do significant design work as part of the RFVQ (prior to being shortlisted)?

A20) Proponents are not expected to do significant design work as part of the RFVQ.

Q21) Is there a limit to the number of units that can be built within the approved zoning envelope?

A21) There is no limit to the number of units that can be built within the approved zoning envelope, however TCHC has an obligation to maintain a ratio of market : social housing as part of the revitalization. Details of this ratio will be expanded upon in the Stage 2 Request for Proposals.

Q22) Is there a page limit by section or for the entire document?

A22) No.



Q23) The tab numbers in the summary table in section 4.3 do not match the tab numbers described in section 4.2 (1), (2) and (3). Which tab numbers should be used?

A23) Please refer to the format identified in the summary table in Section 4.3. For additional clarification:

Section 4.2 1) Respondent Team Description (Staffing) (Tab 4) (20 points)

Section 4.2 2) Demonstrated Experience (Tab 5) (40 Points)

Section 4.2 3) Vision Statement (Tab 6) (40 points)

All other terms and conditions remain the same.

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[End of Addendum #1]