

# Daniels Community Commercial Program

Request for Expressions of Interest (RFEOI)



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Deadline: October 20, 2023

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## Introduction

The Daniels Corporation (Daniels) is Toronto Community Housing's development partner for Phases 1, 2 and 3 of the revitalization of Regent Park. The revitalization seeks to create a vibrant and sustainable mixed-use and mixed-income community in Toronto's downtown east.

Over the past thirteen years, Regent Park has welcomed a whole host of new businesses and commercial uses adding to the vitality of the community. From a grocery store, coffee shops to a family health centre, barbershop and most recently a bake shop and fitness studio, the commercial offerings have continued to evolve to meet the needs of local residents.

As a result of community feedback and the desire to support small, locally-owned and operated businesses that offer a diverse range of products and services within Regent Park, Daniels launched the Community Commercial Program.

In offering commercial space at subsidized lease rates to local entrepreneurs and enterprises, the Program aims to cultivate a spirit of entrepreneurship, support small businesses, and create economic development opportunities for local residents.

## The Opportunity

In 2023, Daniels is prepared to offer Community Commercial Space at the terms noted below. For the purposes of this RFEOI, Community Commercial Space is defined as the ground floor, commercial space to be offered at a subsidized rate to an existing local entrepreneur or enterprise for retail use. Daniels will prioritize the selection of businesses that are local to Regent Park and/or are able to demonstrate meaningful community impact through a social impact exchange.

## Business Potential Within Regent Park

Residents in Regent Park represent a mix of global cultural traditions, values, and practices, exemplifying Toronto's diversity. These qualities present immense opportunity for the successful introduction of a range of products and services.

While there was little commercial activity in Regent Park prior to 2006, the revitalization of Regent Park is driving significant change in Toronto's downtown east. Businesses see the potential that comes with being a part of the revitalization and have shown great interest in moving to the community.

Regent Park boasts a well-rounded commercial presence, where major brand retailers have been interwoven with healthcare providers, local non-profit organizations and social enterprises. Commercial tenants include Tim Hortons, Shoppers Drug Mart, Sumac Creek Family Health Centre, Paintbox Bistro and Ryerson University's Future Skills Centre. The commercial leasing team is continuously working to broaden the uses in the neighbourhood in order to create a thriving landscape of commercial and office spaces in Regent Park.

## The Vision

Local entrepreneurs and enterprises are invited to submit an Expression of Interest to be considered for the opportunity to lease ground floor commercial space if they offer products or services that meet the community's needs.

As such, this RFEOI is seeking responses from sole-proprietorships, business partnerships, incorporated businesses, co-operatives, or social enterprises who:

- are operating an existing business with or without a permanent bricks and mortar location;
- have a comprehensive and sustainable business plan that aligns with the parameters of the proposed lease;
- demonstrate an understanding of the Regent Park community and marketplace potential; and
- will make a meaningful contribution towards community impact in the form of local hiring, local sourcing, the local environment and/or community economic development.

## The Current Offer

Daniels is offering **approximately 1,300 square feet of ground-level commercial space** at 684 Dundas Street East (subject to change) at the base of Artworks Condominium. This commercial space is located in a prime space with Dundas Street exposure and is just east of River Street. The commercial space is adjacent to other commercial uses and in close proximity to a number of residential buildings as well as community facilities and amenities.

# The Lease

Daniels is offering a number of incentives to the selected business in order to support the opening and operating of a storefront space over a five-year lease term. These include:

1. **Base rent** offered at a deeply subsidized rate; and

*\*Note: Throughout the five-year lease term, the lessee will be responsible to pay the landlord **additional rent** [1].*

2. **Tenant Inducement** [2] to support fit-up costs for the commercial unit.

## Timeline for Occupancy

The space is ready for turnover and fit up immediately (fall 2023).

## Acceptable Uses in the Space

The following is a description of the possible opportunities for the Community Commercial Space. Respondents are welcome to identify how they will fulfil any or a combination of these roles individually or in partnership with like-minded entities.

### 1. Individually Run Operation

- Only one (1) business will run in the space;
- tenant will be solely responsible for the operations and management of the space while running the day-to-day operations of their business;

### 2. Sublease Operation

- One (1) head tenant will act as the “facility operator”, responsible for managing the daily operations and business management of the space as outlined in a master lease;
- head tenant must demonstrate capacity to sublease and manage a small group of sub-tenants; and
- head tenant has the option of utilizing a part of the space for its own operations.
- Any subtenants must be approved by the landlord.

[1] Additional Rent refers to payment of expenses associated with the leased premises including but not limited to: commercial common area operating expenses, real estate taxes, insurance, common area utilities, reciprocal operating agreement costs, etc. Note that: tenants individual utility charges are to be billed directly to the tenant by the utility company or landlord and are not included in the cost of Additional Rent.

[2] Tenant Inducement refers to a contribution from the landlord to the tenant to support the costs related to the fit-up of the premises.

The following uses will not be considered eligible for a community commercial space:

- Coffee, Café, Burger or Quick Service Food Uses
- Any Dispensary or Establishment Selling Pharmaceutical or Illicit Drugs
- Any Store Selling Second Hand Goods, War Surplus, Firearms, Insurance Salvage Stock or Fire Sale Stock
- Financial Institution, Cheque Cashing or Money Lending Establishment
- Funeral Home
- Gambling Establishment, Casino or Off-Track Betting Shop
- Pawn Shop
- Private or Public Auction, or a Fire, Bulk, “Going Out of Business” or Bankruptcy Sale
- Variety, Convenience or Discount Store
- X-Rated or Adult-Only Store or Entertainment Establishment

## **Social Impact Exchange**

Daniels understands that we have a platform to be leaders and innovators in addition to a responsibility to do our best as city builders. Through our Social Impact practice, we seek out opportunities to build relationships in the communities in which we build. Over the past 39 years, we have partnered with a number of organizations, leveraging our business to create opportunities for social impact.

The Social Impact Exchange seeks to expand opportunities for eligible commercial tenants to participate in community engagement and social impact work within Daniels communities in exchange for value, such as special lease rates and a larger tenant inducement, if applicable. The program is based on the concept of energy exchange, and while these financial incentives provide tangible value for commercial tenants, the impact on social cohesion, animation of public spaces, and local economic development is enormous.

## **Social Impact Exchange Requirement**

Participation in the Social Impact Exchange is a requirement for the Community Commercial opportunity outlined in this Call for Proposals. Respondents to this Call are required to submit a Social Impact Exchange Plan as part of their application.

## How the Program Works

Daniels' Social Impact Exchange requires participating commercial tenants to demonstrate meaningful community impact. Respondents submitting Proposals or Expressions of Interest to Daniels' Social Impact Commercial Programs (including Community Commercial) are required to include a Social Impact Exchange Plan that outlines a proposed community engagement strategy or approach. Social Impact Exchange Plans should include examples of specific engagement activities or initiatives and provide details on opportunities for collaboration with local residents or community organizations.

Community Commercial tenants will acknowledge the terms of the Daniels Social Impact Exchange in their lease agreement. Involvement with the program will begin at that time and will be a condition of tenancy. Daniels' Social Impact Exchange requirement can be achieved in a number of ways, for example:

- Providing mentorship to youth in the community
- Participating in public events that engage the broader community
- Engagement with a local community service organization
- Participate in local employment, training, social procurement and/or other community economic development initiatives

As part of the program, participating commercial tenants will submit a quarterly summary of their activity, which will detail both the nature of the activities and initiatives they engaged in, and the time spent on them. Participating commercial tenants will be evaluated on the amount and quality of their engagement.

# Request for Expressions of Interest (RFEOI)

The Daniels Corporation (Daniels) is requesting Expressions of Interest from interested parties with respect to the Community Commercial Space opportunity outlined above. To be considered for this opportunity, respondents are asked to submit a package containing the elements described below by **Friday, October 20th, 2023.**

## RFEOI: Submissions Requirements

Respondents are asked to outline the business model and business idea, space needs, and scope of operation of the business to the immediate community.

Submissions should respond to the following requirements for information:

1. **Email** [socialimpact@danielscorp.com](mailto:socialimpact@danielscorp.com) expressing interest in the RFEOI process to receive ongoing correspondence and updates as soon as possible.
2. **Submit** a 5-page (maximum) Expression of Interest letter by the deadline date which sets out:
  - a. Key contact and contact information including: name, position, email address, phone number and mailing address; knowledge of market trends related to the proposed business idea; knowledge of the needs of the Regent Park community; outline of your space requirements and their uses; and
3. **Submit** a 2-page (maximum) Statement of Experience by the submission deadline date, including a description of your business, a history of the organization including mission, vision and values, years of operation, any other relevant information, as well as outlining major achievements of the business or key personnel to date.
4. **Submit** a 5-page (maximum) Business Plan by the submission deadline date, including:
  - a. Financial projections including sales, profits, cash flow for each year of the 5-year lease (in agreement with the proposed lease terms);
  - b. estimate of capital required to start the business within the proposed space, including capital to fit-out the space, as well as an explanation of how your organization plans to acquire the necessary capital;
  - c. current state of business (registered business or non-profit, co-operative, collective, etc.) and names of principal owners and key personnel with resumes attached; and
  - d. marketing and growth plan detailing how your business plans to pay market rent after 5 years.
5. **Submit** a 3-page (maximum) Social Impact Exchange Plan by the deadline date that describes how you propose to fulfill requirements of the Social Impact Exchange, including detailing any existing relationships with the Regent Park community, local organizations or other stakeholders.

*\*Note: Shortlisted Respondents may be subject to a credit check prior to completion of the RFEOI assessments and prior to the Community Commercial space being offered to a potential leasee.*

# RFEOI: Submissions Guidelines

All RFEOI responses are to be submitted via email to:

Fatima Saya  
Senior Manager, Social Impact  
at: [socialimpact@danielscorp.com](mailto:socialimpact@danielscorp.com)

## RFEOI: Information Session

An Information Session will be hosted by Daniels to provide an opportunity for respondents to gather information and ask questions before submitting Expressions of Interest. The Information Session will be held on:

- Tuesday September 26th, 2023, between 5:30PM-7:00PM

Reach out to Fatima Saya at [socialimpact@danielscorp.com](mailto:socialimpact@danielscorp.com) for the Information Session location.

***Respondents are strongly encouraged to attend the Information Session.***

## RFEOI: Timeline & Next Steps

The following milestones outline the project timeline as currently defined:

RFEOI Release	September 11, 2023
RFEOI Information Session	September 26, 2023
RFEOI Response Deadline	October 20, 2023
Interviews with Shortlisted Respondents	Week of October 23, 2023
RFEOI Assessments Completed	Tuesday, October 31, 2023



Following the evaluation of RFEOI submissions, Daniels will notify shortlisted respondents of the next steps, which may include an interviews and further requests for information. All respondents will be notified of whether or not they have been shortlisted.

Copies of the standard Letter of Intent (LOI) and lease details including proposed Base-Rent over the 5-year lease term, estimated Additional Rent and Tenant Inducement Support rate per square foot can be made available for Respondents' review upon written request. The formal lease structure and terms as well as operational expectations will be outlined in further detail with shortlisted respondents

## **RFEOI: Considerations**

1. Respondents must demonstrate that their business or business idea will be profitable while also demonstrating that the business idea fulfills a community need. A strong credit history is an asset, as well as previous experience operating commercial spaces.

## **RFEOI: Limitations**

1. Submissions under this RFEOI process does not confer any obligations by The Daniels Corporation to the respondents in relation to subsequent processes related to the RFEOI or the Community Commercial Space.
2. The RFEOI provides information to prospective leasees only and does not constitute an offer to lease the Community Commercial Space.
3. The Daniels Corporation reserves the right to remove the RFEOI and lease offer from the market and to modify the RFEOI process and/or timeline as described within the RFEOI document.

# Appendix A: RFEOI Evaluation Criteria

The Evaluation Criteria will be used by Daniels to review and assess proposals. Respondents should ensure that their Expression of Interest submission addresses each of the Evaluation Criteria in relation to their proposed business in the overall context of the Regent Park community.

## Summary of Evaluation Criteria

### Vision

- Is the proposal rooted in a desire to address a community need?

### Capacity

- What is the proposed model to operationalize the Community Commercial Space?
- Does the respondent (and/or partners) demonstrate the necessary level of leadership, business management experience and capacity to deliver the proposal?

### Business Sustainability

- Is the respondent able to demonstrate its financial stability as well as sustainability and growth of the proposed business plan?

### Social Impact Exchange Plan

- How does the respondent plan to:
  - make a meaningful contribution towards local hiring, local sourcing, local economic development?
  - create engaging animation opportunities in the Living Lane?
  - develop meaningful relationships and opportunities for engagement with residents in the community?

# Appendix B: Overview of Landlord and Tenant's Work

## LANDLORD'S WORK

### 1. GENERAL

1.01 Landlord shall provide tenant with necessary base building drawings for planning and permit coordination. CAD drawings can be provided upon authorization by base-building consultants against a signed license and waiver agreement by the tenant's consultants.

### 2. PLUMBING

2.01 Landlord shall provide sleeves in concrete slab for future fixtures and drains at a location as shown on the landlord's base building plan. 100mm capped connection shall be installed at main sanitary line running under the floor slab for future drain connections by tenant. If tenant requires washroom(s) or plumbing fixtures at a different location than what is shown on the base building drawing and/or requires more than one (1) washroom to satisfy OBC/municipal requirements for their intended type of occupancy, the Landlord at their discretion may choose to complete the scanning and/or X-raying and coring work on behalf of the tenant. In such case, the tenant shall be charged for all related costs including but not limited to structural engineer reviews, X-raying, scanning and coring. Additional coring and related costs, if required for any other tenant services, shall be completed by the Landlord at tenant's cost or, where approved by the Landlord, completed by the tenant at their own cost.

2.02 Landlord shall provide capped 40mm (1 1/2") Domestic Cold Water line with shutoff valve and sub-meter located in the ceiling at each retail unit connected to the building BAS system to read water meter remotely. Cold water usage charges shall be charged back based on the actual consumption or proportionate share for each tenant. Tenant shall supply and install suitable storage HWT and necessary mixing valves for their use.

2.03 Control valves associated with the base-building services for the above residential units may be located in the ceiling above the retail space. Tenant must advise their designers and contractors to provide necessary access panels in their drop ceilings for future maintenance operations.

### 3. ELECTRICAL

3.01 A 200 AMP 600v 3ph, 4 wire electrical service with a disconnect switch and two (2) 1" empty conduits for telephone / data from the communication room will be provided at a location shown on the base building plan. Subject to available capacity and Landlord's review and approval, electrical service upgrade may be possible at tenant's request and additional expense.

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<sup>3</sup> N.B. Scope of work is subject to change by the landlord

3.02 Fire system manual pull station(s) and speaker(s) connected to the base building fire alarm system will be provided per base-building design and empty shell occupancy requirements. Exit signs, emergency lights, temporary heating (where applicable) and automatic door opener are provided based on empty shell space which is temporarily connected to the building emergency power. Upon the retail space being turned over to the tenant, the tenant shall disconnect from the base building power and be responsible to have these connected to their electrical panel.

3.03 The Landlord shall provide the Tenant with an electrical panel and step down transformer suitably sized for its use. The tenant shall provide all other electrical work including but not limited to breakers, conduits, wiring, lights, outlets, switches, etc. Tenant may relocate electrical service / disconnect switch at their own expense with approval from the landlord and permit from ESA.

3.04 See signage for electrical provisions to tenant signage.

3.05 Any alterations / additions to the fire alarm system or its devices provided by base building shall be coordinated with landlord to engage the services of the base-building contractors at the expense of the tenant. Likewise, tenant shall engage the base-building contractor for re-verification of the fire alarm system and provide all test certificates to the landlord.

3.06 Tenant is responsible for electrical permits pertaining to their work. All tenant-work must comply with all applicable codes as required by governing authorities. Upon completion of work Tenant must submit a final ESA inspection certificate.

3.08 Tenant shall coordinate with Toronto Hydro for account set-up and meter installation.

#### **4. HEATING AND AIR CONDITIONING**

4.01 Central Energy Plant: Chilled and heated water are provided to the community, under exclusive agreement, by a central plant. Landlord shall provide each retail unit with capped chilled water and heating pipes with water flow and BTU meters which measure tenant consumption. Energy and sub-metering charges to be charged back to the tenant by the Landlord. Capped chilled water and heating water pipes with water flow meter and BTU meters will be provided to each retail space and shall be charged back based on the tenant's consumption. Cooling supply by base building is anticipated not to exceed 1 ton per 180 square feet. Supplementary condensers are not permitted. Tenant shall provide HVAC specifications and design for HVAC equipment suitable for its intended business. Upon approval, the Landlord shall supply and install HVAC equipment at a location to be shown on the tenant's mechanical drawing.

4.02 Landlord may provide temporary heating to all ground floor retail units. Heating to be discontinued upon turnover and the tenant shall be responsible for heating this space to keep an any base building services from freezing.

4.03 Landlord shall supply intake and exhaust HVAC ductwork connected to louvres in the exterior window wall as shown on base building drawings. Tenant shall supply all distribution ductwork downstream of the HVAC unit.

4.04 Tenants who intend to install cooking or frying devices must vent exhaust through a suitable kitchen exhaust ecologizer equipped with carbon filters, to be supplied and installed by tenant. Tenant must submit shop drawings for ecologizer system for landlord review and approval.

## 5. FLOORING

5.01 Base building concrete flooring shall be flat with a tolerance of  $\frac{1}{4}$ " in 10 ft. as per industry standard. Tenant to prepare and level existing concrete flooring to suit tenant design and floor finishes.

## 6. WALLS AND CEILINGS

6.01 Demising walls between adjacent retail units if not concrete or block wall will be sound insulated non load bearing demising walls constructed of steel studs, drywall and heavy-duty security mesh on one side providing a FRR of minimum 2-hour as per landlord's standard detail. Concrete columns and concrete / block demising walls if any will be left as-is to be finished by tenant. Interior side of exterior walls (only if constructed with drywall) shall be finished to base building standards by design and to meet building code requirements. All landlord installed drywalls up to 10' high shall be taped, sanded, primed and left unfinished for decorating by tenant.

6.02 If acoustical ceiling is present in tenant space, tenant to confirm with landlord the method of attaching the tenant's suspended ceiling and fixtures to the acoustical ceiling. No fixtures or tenant services should be supported or hung from existing base building services.

6.03 If acoustical walls are present, tenant to confirm with landlord the method of attaching any fixtures or cabinets to these wall. These walls cannot be penetrated for electrical, plumbing, or any other services an, in necessary, a furred out wall will need to be constructed by the tenant for such services.

6.04 Tenant shall make sure the existing demising walls satisfy the occupancy requirements. If required the tenant will be responsible to upgrade the wall system.

6.05 No penetration of the existing demising walls will be allowed for any installations. Tenant will be responsible to install a dummy wall in front of this wall for such installations.

6.06 Spandrel panels at curtain walls are left unfinished with galvanized metal pans. Tenant shall obtain landlord approval for the intended type of finish and method of attachment to the back of these spandrel panels.

6.07 All interior partitions and ceilings, including ceiling to washroom, if required shall be by tenant.

6.08 Tenant must make sure that no mechanical fasteners are used to attach any finish material to the back of spandrel back pans or the mullions in the curtain wall system. A suitable alternative to painting would be to attach pre-finished decorative panels with a double-sided tape adhesive and caulk the edges.

## **7. SPRINKLERS**

7.01 FSP and/or fire extinguishers in cabinets and fire sprinklers are provided as per base building design for empty shell occupancy with standard heads turned up.

7.02 The tenant shall provide in addition to the existing base building sprinkler system any additional heads and/or FSP cabinets including design, piping, and testing all complete to suit their space and design.

7.03 All additional work related to sprinklers and FSP including dropping the existing sprinkler heads to the tenant's drop ceiling must be completed by using base building sprinkler contractor and to the satisfaction of the governing authorities. Upon completion of work, tenant shall provide inspection/test reports to landlord.

## **8. STOREFRONT & CURTAINWALL GLAZING SYSTEM**

8.01 Standard aluminum entry door(s) with auto door operator, lockset, and pull/push bars shall be provided as per base-building architectural design to all units. Auto door operators shall be installed and wired to the push buttons. Auto door operators will be connected to temporary power fed from base building. Upon possession of the space, tenant shall coordinate with landlord for disconnecting temporary power and connecting the operator to their panel. The tenant shall supply and install any special hardware for the doors if required upon approval from landlord.

8.02 Some window glazing may bear migratory bird markings with architecturally designed density pattern to make the building less dangerous to migratory birds (to be confirmed).

## **9. UTILITY METERING**

9.01 Domestic cold water: Metered separately using flow meters or water charges will be included in the maintenance fees for the leased premises.

9.02 Hydro: Digitally metered. Tenant shall set-up account with Toronto Hydro to activate service.

9.03 Gas: Where applicable, tenant to supply meter for their own gas service.

## **10. SIGNAGE**

10.01 Signage shall be designed and installed by tenant at designated sign locations as directed by landlord. Sign artwork must be submitted to landlord for approval. Landlord's policy is for all tenant's signage to be connected to the tenant's own electrical panel complete with all conduits, wiring, dedicated breaker and timer.

## **TENANT'S WORK**

### **11. GENERAL**

11.01 All other work required by tenant design in addition to work mentioned or inferred in the landlord's scope of work as by tenant shall be completed by tenant at their expense.

11.02 Any specialties or special equipment including its design, engineering, testing, inspection and approval as required by the tenant for conducting business shall be by the tenant. Tenant shall confirm that such systems / equipment will not in any way affect adjacent tenancies or any residential suites directly above their space. Heavy fixtures and / or equipment intended to be part of the tenant fit-out which may exert additional loads on the structure shall be noted on the drawings including size and weight for review and approval by landlord or their consultants.

## **12. PERMITS AND OTHER DOCUMENTS**

12.01 The tenant shall, in a timely fashion, apply for and pay for their own building / addition renovation and occupancy permit(s) and any other permits or licenses for the tenant's works and carry out all inspections of governing authorities.

12.02 The tenant will not be allowed to start any work prior to furnishing the landlord with copies of all necessary permits, Notice of Project, Insurance and WSIB clearance certificates and other approvals including any shop drawings where necessary.

## **13. DRAWING SUBMISSIONS FOR REVIEW**

13.01 The tenant shall submit complete sets of design drawings including Architectural, Mechanical and Electrical for landlord's review and approval prior to applying for permit. The tenant shall allow at least 2 weeks for landlord's review and comment. The tenant is allowed to make a maximum of only two (2) complete submissions for drawing review to the landlord's consultants.

## **14. ON COMPLETION OF TENANT WORK**

14.01 After completion of tenant's work, the tenant shall provide to the landlord with as-built drawings (1 hard copy and a copy in PDF format on a disk) including architectural, electrical, mechanical, sprinkler, fire alarm drawings and all test/inspection certificates/letters as required