

Affordable Housing Committee

Meeting No.	2	Contact	Patsy Morris, Committee Administrator
Meeting Date	Tuesday, April 17, 2007	Phone	416-392-9151
Start Time	9:30 AM	E-mail	pmorris@toronto.ca
Location	Committee Room 2, City Hall		

Attendance

Members of the Affordable Housing Committee were present for some or all of the time periods indicated under the section headed “Meeting Session”, which appears at the end of the Minutes.

Councillor Giorgio Mammoliti	X
Councillor Adrian Heaps	X
Councillor Pam McConnell	X
Councillor Howard Moscoe	X
Councillor Cesar Palacio	X
Councillor Adam Vaughan	X

On motion by Councillor McConnell the Affordable Housing Committee adopted the Minutes of the meeting held on January 31, 2007.

AH2.1	ACTION	Amended	Transactional	Ward: 11, 14, 17, 18, 20, 21, 22, 28, 29, 35
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Affordable Housing – Funding Recommendations Request for Proposals 9155-06-7380 and TCHC

(April 3, 2007) report from Deputy City Manager, Sue Corke, Director, Purchasing and Materials Management and the Chief Corporate Officer

Recommendations

The Director of Purchasing and Materials Management, the Chief Corporate Officer and the Deputy City Manager responsible for the Affordable Housing Office recommend that:

1. City Council approve the following affordable housing projects selected through the RFP and recommend submission of all project information to the Ministry of Municipal Affairs and Housing for consideration as projects to be funded under the Canada-Ontario Affordable Housing Program – Rental and Supportive Component (“the Program”):
 - a. West Toronto Support Services for Senior Citizens and the Disabled Inc. at 2335-2337 St. Clair Avenue West;
 - b. Parkdale Activity - Recreation Centre (Toronto) at 194 Dowling Avenue;
 - c. St. Clair West Affordable Housing (Ossington) Group Incorporated at 1120 Ossington Avenue;
 - d. St. Clare’s Multifaith Housing Society at 48 Abell Street (to be assigned a new municipal address on the future extension of Sudbury Street);
 - e. WoodGreen Community Housing Inc. at 270 Donlands Avenue;
 - f. St Clare’s Multifaith Housing Society at 200 Madison Avenue;
 - g. 873815 Ontario Limited, at 201-213 Vaughan Road; and
 - h. 544 Birchmount Holdings Limited at 544 Birchmount Road.
2. City Council approve the following affordable housing projects of the Toronto Community Housing Corporation and recommend submission of all project information to the Ministry of Municipal Affairs and Housing for consideration as projects to be funded under the Program:
 - a. 88 Carleton Street; and
 - b. 501 Adelaide Street East.
3. The Deputy City Manager responsible for the Affordable Housing Office be authorized and directed to submit the list of recommended projects, and any other documentation, to the Province of Ontario for consideration by the Ministry of Municipal Affairs and Housing, as required by the Program.
4. Authority be granted to exempt the listed projects from taxation for municipal and school purposes for the term of the municipal capital facility agreement.
5. Authority be granted for exempting all projects not subject to a waiver under the *Development Charges Act*, from payment of development charges.
6. Authority be granted to designate the listed projects as social housing accommodation, allowing all or part of the project relief from normal parking standards, where applicable.

7. Authority be granted to enter into a municipal capital facility agreement and such other agreements, licences, security and documents, with the recommended proponents of each of the listed projects, or to an other entity associated and controlled by it and acceptable to the Director of Affordable Housing Development, to provide for the development and operation of affordable housing, on such terms and conditions as the Director Affordable Housing Development considers appropriate and in a form approved by the City Solicitor.
8. The Director, Affordable Housing Office Development be authorized and directed, on behalf of the City, to execute municipal capital facility agreements and such other agreements and documents deemed necessary, on terms and conditions satisfactory to the Director, Affordable Housing Development and in a form approved by the City Solicitor.
9. Authority be granted to enter into leases of the City owned properties at 200 Madison Avenue and 194 Dowling Avenue, for the purpose of developing the affordable housing projects and any ancillary uses, substantially on the terms and conditions outlined in Appendix 2 to this report and in a form acceptable to the City Solicitor, such grant by way of below market rent being in the interest of the municipality.
10. The City solicitor be authorized to complete the lease transactions for 200 Madison Avenue and 194 Dowling Avenue on behalf of the City, including payment of any necessary expenses and amending the commencement date of the lease and any other dates to such earlier or later dates and on such terms and conditions as she may from time to time consider reasonable.
11. The Chief Corporate Officer shall administer and manage the leases for 200 Madison Avenue and 194 Dowling Avenue, including the provision of any consents, approvals, waiver notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.
12. Authority be granted for the City to make or provide its consent as owner to any regulatory applications by the proponents of the projects at 200 Madison Avenue and 194 Dowling Avenue, and to grant licences for the purposes of entering onto the City owned properties to carry out pre-development activities, and that the Director, Real Estate Services, or his designate be authorized to execute the applications, consents and licences.
13. That St. Clare's Multifaith Housing Society be permitted to further encumber its existing housing projects at 25 Leonard Street and 38 Pears Avenue, in order to make funds available for the two projects being proposed by it under the Program, on such terms and conditions satisfactory to the General Manager Shelter, Support and Housing Administration in his sole discretion and in a form approved by the City Solicitor.

Financial Impact

The funding sources to build the 800 units (10 projects) in this report under the Program are set out below and detailed in Appendices 1 and 6.

Direct capital assistance for the construction of the 800 units from all orders of government is:

Government Assistance - Capital	Amount
Affordable Housing Program federal contribution	\$ 21,466,200
Affordable Housing Program provincial contribution	\$ 35,023,800
Minimum Expected PST and GST rebates	\$ 4,032,000
Municipal Development Fees and Charges at current rates	\$ 5,519,000
Value of City Land (two projects) for mortgage purposes with development proposed, plus contribution to cost of demolition and environmental reports	\$ 2,513,000
	\$ 68,554,000 total

Private equity and mortgage financing must be obtained as set out below:

Proponent Contributions - Capital	Approximate Amount
Minimum Proponent Equity	\$ 38,000,000
Minimum Private First Mortgage Financing	\$ 53,000,000
	\$ 91,000,000 total

Therefore the total capital cost is approximately \$160m from all sources.

Rent supplements and property tax exemptions will support the annual operating costs of the projects after construction. The current Net Present Values of these two supports are estimated as follows:

Government Assistance – Operating	Estimated Amount
Net Present Value of Rent Supplements (excluding TCHC)	\$ 13,900,000
Net Present Value of Property Tax Exemptions	\$ 8,286,000
	\$ 22,186,000 total

The Administration Agreement with the province set out the terms and rate of an Administration Fee paid to the City for the costs of delivering the Program, including selecting projects and monitoring affordability for the term of the Contribution Agreement with the recommended proponents. For the units recommended in this report, the funding received from the province is as follows:

Provincial Administration Fee Paid to City	Amount
\$100,000 for program participation plus 1.3% of federal and provincial funds above 50 units	\$ 788,870

The detailed budget implications for the current year will be reported to Budget Committee in mid 2007 and any future year budget implications associated with these projects will be reported and included in future year program budgets as development proceeds and housing units occupied.

The Deputy City Manager and Chief Financial Officer have reviewed this report and agrees with the financial impact information.

Summary

This report is for Council approval of 10 affordable housing developments which will result in approximately 800 new affordable homes in the City of Toronto. The approval includes eight affordable housing developments, with approximately 600 units, selected from proposals submitted in response to a Request for Proposals (“RFP”) issued by the City, and 200 units in two Toronto Community Housing Corporation (“TCHC”) developments. All 10 are assisted under a joint program between the City, the province of Ontario and the government of Canada.

Federal and provincial capital funding of \$70,000 per unit is available under the Canada-Ontario Affordable Housing Program – Rental and Supportive (“the Program”). City of Toronto support is in accordance with existing affordable housing policies and programs. This report recommends that the City administer the projects for terms ranging from 25 to 50 years. Contributions from the City include waiver of development fees and charges, exemption from property taxes, the lease of two City properties and 110 rent supplements as requested by the proponents responding to the RFP.

An Administration Fee is paid to the City by the province, under the terms of an Administration Agreement with the province. The fee is accounted for in the 2007 Affordable Housing Office Budget Submission.

Speakers

The following Members of Council addressed the Affordable Housing Committee:

- Councillor Frances Nunziata, Ward 11 – York South-Weston; and
- Councillor Gord Perks, Ward 14 – Parkdale-High Park.

The following persons also addressed the Affordable Housing Committee:

- MPP Cheri DiNovo;
- Mike O’Gorman;
- Sheila Lippiatt;
- Barbara Hurd, on behalf of Housing Action Now, and filed a written submission with respect thereto;
- Craig Peskett, President, Parkdale Residents Association, and filed a written submission with respect thereto;

- Bridget Vianna, Chair of the Board, The Parkdale/Liberty Economic Development Corp. (PLEDC), and filed a written submission with respect thereto;
- Warren Sheffer, and filed a written submission with respect thereto;
- Paul Dowling;
- Sheila Koffman, Co-Chair, Board of Directors, and filed a written submission with respect thereto;
- Victor Willis, Executive Director, PARC, The Parkdale Activity Recreation Centre; and
- Robert L. Fitzgerald.

Committee Recommendations

The Affordable Housing Committee recommended to the Executive Committee and City Council that:

1. City Council approve the following affordable housing projects selected through the RFP and recommend submission of all project information to the Ministry of Municipal Affairs and Housing for consideration as projects to be funded under the Canada-Ontario Affordable Housing Program – Rental and Supportive Component (“the Program”):
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 - b. 501 Adelaide Street East.
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 4. Authority be granted to exempt the listed projects from taxation for municipal and school purposes for the term of the municipal capital facility agreement.
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 6. Authority be granted to designate the listed projects as social housing accommodation, allowing all or part of the project relief from normal parking standards, where applicable.
 7. Authority be granted to enter into a municipal capital facility agreement and such other agreements, licences, security and documents, with the recommended proponents of each of the listed projects, or to an other entity associated and controlled by it and acceptable to the Director of Affordable Housing Development, to provide for the development and operation of affordable housing, on such terms and conditions as the Director Affordable Housing Development considers appropriate and in a form approved by the City Solicitor.
 8. The Director, Affordable Housing Office Development be authorized and directed, on behalf of the City, to execute municipal capital facility agreements and such other agreements and documents deemed necessary, on terms and conditions satisfactory to the Director, Affordable Housing Development and in a form approved by the City Solicitor.
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 11. The Chief Corporate Officer shall administer and manage the leases for 200 Madison Avenue and 194 Dowling Avenue, including the provision of any consents, approvals,

waiver notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

12. Authority be granted for the City to make or provide its consent as owner to any regulatory applications by the proponents of the projects at 200 Madison Avenue and 194 Dowling Avenue, and to grant licences for the purposes of entering onto the City owned properties to carry out pre-development activities, and that the Director, Real Estate Services, or his designate be authorized to execute the applications, consents and licences.
13. That St. Clare's Multifaith Housing Society be permitted to further encumber its existing housing projects at 25 Leonard Street and 38 Pears Avenue, in order to make funds available for the two projects being proposed by it under the Program, on such terms and conditions satisfactory to the General Manager Shelter, Support and Housing Administration in his sole discretion and in a form approved by the City Solicitor.
14. The Toronto Parking Authority be requested to look at options of purchasing property on St. Clair Avenue to address the lack of affordable public parking available for the housing proposal at 2335-2337 St. Clair Avenue West. **(Moved by Councillor Palacio)**.
15. Considering the increased level of funding and lower rents the program is targeted towards, persons living with mental disabilities, ex-psychiatric patients, victims of domestic violence and individuals with a dual diagnosis, that on site support service programs be confirmed on site, as required, and co-ordinated through provincial support programs. **(Moved by Councillor Palacio)**.
16. Toronto City Council urge the Provincial Minister of Municipal Affairs and Housing to immediately release the remaining \$56 million in federal/provincial funding from the Affordable Housing Program and make an additional funding allocation to Toronto to support the development of much needed new rental housing. **(Moved by Councillor McConnell)**.

Decision Advice and Other Information

The Affordable Housing Committee requested Deputy City Manager, Sue Corke to report to the June meeting of the Affordable Housing Committee:

- i. on the decisions required to proceed with the funding and development of affordable housing by TCHC on the McCord site in the Wet Don Lands;
(Moved by Councillor McConnell)
- ii. on the decisions required to proceed with the funding and development of affordable housing by TCHC on Blocks 32 and 36 in the Railway Lands.
(Moved by Councillor Vaughan)

The Director, Affordable Housing Development, gave a presentation to the Affordable Housing Committee, and filed a copy of her presentation material.

Links to Background Information

Affordable Housing - Funding Recommendations Request for Proposal 9155-06-7380 a

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2792.pdf>)

Appendix 1 - Summary of Recommended Projects from the RFP

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2793.pdf>)

Appendix 2 - Major Terms and Conditions - Lease of City Land

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2794.pdf>)

Appendix 3 - Responses to the RFP

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2795.pdf>)

Appendix 4 - Report from the Fairness Monitor Consultant

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2798.pdf>)

Appendix 5 - Code of Conduct for Members of the RFP Selection Team

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2796.pdf>)

Appendix 6 - Summary of TCHC Recommended Projects

(<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2797.pdf>)

1a Affordable Housing - AH2.1

(April 16, 2007) memo from John Doherty, President, Parkdale Village B.I.A.

Summary

Expressing concerns about the proposal for 194 Dowling Avenue.

1b 1495 Queen Street West Affordable Housing Proposed Site

(April 17, 2007) memo from Maurie Todd, citizen

Summary

Expressing concerns regarding more affordable housing in the Queen Street area of Parkdale which has become problematic because of the occupants.

AH2.2	ACTION	Amended	Transactional	
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Discussion Paper on “Housing First” Policy

Recommendations

That the Affordable Housing Committee forward this discussion paper to staff for incorporation into the Affordable Housing plan to be reported to the Affordable Housing Committee in September 2007.

Summary

Communication recommending that this discussion paper be forwarded to staff for incorporation into the Affordable Housing plan to be reported to the Affordable Housing Committee in September.

Communication

(April 17, 2007) memo from Councillor Howard Moscoe - AHSupplementary
<http://www.toronto.ca/legdocs/mmis/2007/ah/comm/communicationfile-1147.pdf>

Decision Advice and Other Information

The Affordable Housing Committee:

1. referred the communication (undated) from Councillor Howard Moscoe to Deputy City Manager, Sue Corke, for incorporation into the Affordable Housing plan to be reported to the Affordable Housing Committee in September 2007; and
(Moved by Councillor Moscoe)

2. requested that in reviewing this matter, there be some discussion of the possible use of some of these funds to rehabilitate the affordable housing stock the City already owns.
(Moved by Councillor Moscoe)

AH2.3	Information	Withdrawn		
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Acquisition of 129 Peter Street

A report dated March 26, 2007, from the Chief Corporate Officer entitled “Acquisition of 129 Peter Street” which was considered by the Government Management Committee on April 12, 2007, was introduced and added to the agenda and subsequently withdrawn.

Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2007-04-17	Morning	9:30 AM	1:00 PM	Public

Chair