

Councillor Adam Vaughan 魏德方

Toronto City Council
Trinity-Spadina, Ward 20

Chair and Members
Affordable Housing Committee
City Hall, 100 Queen St. W.
Toronto, Ontario

March 22, 2010

Dear Chair and Members,

**Re: Request for Property Tax Waiver for Artscape's
Affordable 20 Units of Rental Housing at 150 Sudbury Street**

I am writing to request your support for recommendations to implement the intent of the Council approved settlement offer for 150 Sudbury Street concerning a waiver of property taxes for affordable housing developed at this location.

On a portion of the property at 150 Sudbury Street Artscape is providing 68 new units of live/work affordable rental and ownership housing with 20 of those units available for rent at 80% of the Canada Mortgage and Housing Corporation average market rent for the City of Toronto.

As approved by City Council on September 26, 27, 2007, the negotiated settlement stated that "the City will treat Artscape space similar to non-profit housing....Consistent with this 'non-profit' approach, the City will try to waive annual property taxes for the Artscape space, subject to Artscape providing affordable rental units at 80% of the CMHC average rent."

The financial impact of waiving taxes for the 20 affordable rental units is estimated at a Net Present Value over 25 years of \$30,700/unit or a total of \$614,000 over the full term. Offsetting this are the economic and cultural benefits provided to Toronto by the arts sector, including the provision of new affordable housing.



The Affordable Housing Committee recommends that City Council:

1. Exempt the 20 affordable rental housing units to be operated by Toronto Artscape Inc. at 150 Sudbury Avenue from taxation for municipal and school purposes for a period of twenty years;
2. Grant authority to the Director, Affordable Housing Office, in consultation with City Finance and City Legal, to amend the definition of "housing project" in the By-law No. 282-2002, the City's Municipal Housing Facility By-law, to exempt the affordable rental housing units at 150 Sudbury from the restriction that affordable rental housing projects not be registered condominiums;
3. Grant authority to the Director, Affordable Housing Office to negotiate and enter into a municipal capital facility agreement with Toronto Artscape Inc., or such other corporation controlled by it, to secure the ongoing affordability of the rental housing units being exempted from taxation, on such terms and conditions, including the taking of security, as the Director considers appropriate and in a form satisfactory to the City Solicitor;
4. Grant authority to and direct the Director, Affordable Housing Office to execute, on behalf of the City, the municipal housing facility agreement, and any security or financing documents required thereby;
5. Authorize the appropriate officials to take the necessary action to give effect thereto.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Vaughan", with a stylized flourish at the end.

Adam Vaughan