



**STAFF REPORT
ACTION REQUIRED**

**Service Manager Consent under the *Housing Services Act, 2011*
To Mortgage a Parcel of Land in Regent Park – Phase Two
Redevelopment**

Date:	February 27, 2012
To:	City Council
From:	Deputy City Manager and Chief Financial Officer
Wards:	28
Reference Number:	P:/2012/Internal Services/CFO/cc12001cfo

SUMMARY

This report seeks Council consent as Service Manager required under the *Housing Services Act 2011* (HSA) to a mortgage transaction related to a parcel of land in Phase Two of the redevelopment of Regent Park. The transaction is due to close on March 7, 2012.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that City Council provide the Service Manager consent required under the *Housing Services Act, 2011* to Parliament and Gerrard Development Corporation to grant a mortgage to the Royal Bank of Canada securing a parcel of land that is part of Phase Two of the Regent Park Redevelopment project described as Block 7 of plan 66M – 2491 (Block 7).

Financial Impact

The adoption of the recommendation in this report has no financial impact on the City.

Equity Impact

The redevelopment of Regent Park will enhance the supply and quality of housing for low income households in Toronto.

DECISION HISTORY

City Council approved the revitalization of Regent Park at the meeting held July 22, 23, 24, 2003.

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030722/pof8rpt/c1002.pdf>

On August 25, 2010 City Council approved proceeding with Phase Two of the Regent Park Redevelopment.

<http://www.toronto.ca/legdocs/mmis/2010/te/bgrd/backgroundfile-32469.pdf>

COMMENTS

As part of Phase Two of the redevelopment of Regent Park, Toronto Community Housing (TCH) proposes to transfer Block 7 to Parliament and Gerrard Development Corporation (of which TCH will be a 50 percent shareholder). Parliament and Gerrard Development Corporation proposes to grant a mortgage of Block 7 to the Royal Bank of Canada to secure a construction loan. This transaction is scheduled to close March 7, 2012 and the first construction loan drawdown is scheduled to occur prior to March 31, 2012. TCH has received consent to transfer Block 7 to Parliament and Gerrard Development Corporation from the Minister of Municipal Affairs and Housing. Service Manager consent is required for Parliament and Gerrard Development Corporation to grant a mortgage of Block 7 to the Royal Bank of Canada.

The legislative framework for consents to transfers, encumbering property and redevelopment of TCH property has changed. Under the former *Social Housing Reform Act, 2000* (SHRA) only Ministerial consent was required for TCH to redevelop, transfer and encumber its public housing. Service Manager consent was not required.

Under the *Housing Services Act, 2011*, which replaced the SHRA on January 1, 2012, Service Manager consent is required to encumber lands transferred by the Province to TCH. Adoption of the recommendation in this report will provide such consent.

CONTACT

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SIGNATURE

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