



STAFF REPORT ACTION REQUIRED

Increasing Affordable Rental Housing in Alexandra Park Through Section 37 Funds

Date:	February 19, 2015
To:	Affordable Housing Committee
From:	Director, Affordable Housing Office
Wards:	Ward 20
Reference Number:	AFS # 20396

SUMMARY

City Council at its meeting of August 25-28, 2014 requested the Director of the Affordable Housing Office, in consultation with the Chief Planner and Executive Director, City Planning, to report to the first Affordable Housing Committee in 2015 on directing secured Section 37 funding for the provision of new affordable rental housing within the Alexandra Park and Atkinson Co-op Revitalization in Ward 20.

This report provides details on the Section 37 funds available to increase the amount of affordable rental housing within the Alexandra Park and Atkinson Co-operative Revitalization and recommends that \$782,963 in Section 37 funding secured from 15-27 Beverley Street in Ward 20 be allocated to Toronto Community Housing for the creation of new affordable rental housing in Alexandra Park.

RECOMMENDATIONS

The Director, Affordable Housing Office recommends that:

1. City Council authorize the transfer of \$782,963 of Section 37 community benefits obtained in the development of 15,17,17R,19,21,27 Beverley Street (Source Account XR3026-3700510) to the Capital Revolving Fund Reserve Fund (XR1058), as per site specific by-law amendments for the lands known as 15,17,17R,19,21,27 Beverley Street.

2. City Council increase the 2015 Approved Operating Budget for Shelter Support and Housing Administration by \$782,963 gross, \$0 net, fully funded from the Capital Revolving Fund Reserve Fund (XR1058) for transfer to Toronto Community Housing for the purpose of increasing the amount of affordable rental housing within the Alexandra Park and Atkinson Co-operative Revitalization.
3. City Council direct that these funds be forwarded to Toronto Community Housing (TCH) for the purposes of developing up to six new affordable rental homes in Alexandra Park once TCH has entered into a Contribution Agreement with the City governing the purpose of the funds, the financial reporting requirements, and other conditions satisfactory to the City Solicitor in consultation with the Director, Affordable Housing Office.

Financial Impact

The 2015 Approved Operating Budget for Shelter, Support and Housing will be increased by \$782,963 gross, 0 net and funds will be applied to create new and affordable housing.

Funds have been secured through Section 37 Agreements (source account XR3026-3700510) in the amount of \$782,963 and will be transferred to the Capital Revolving Fund Reserve Fund for Affordable Housing (XR1058) to fund the increase.

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

Equity Impact

There is a lack of safe, secure, affordable housing available to lower-income Toronto residents, a City priority group. The recommendations contained in this report address this barrier by allocating secured Section 37 funds to create new affordable rental housing within the Alexandra Park and Atkinson Co-op.

The provision of affordable housing serves equity-seeking groups such as lower-income residents, women, seniors, people with disabilities, Aboriginal people, individuals with mental health issues and other vulnerable groups.

DECISION HISTORY

City Council, at its meeting of August 25-28, 2014, adopted Member's Motion MM55.69 and requested the Director of the Affordable Housing Office to report to the first Affordable Housing Committee in 2015 on directing designated Section 37 funding to the creation of affordable rental housing in Alexandra Park.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.MM55.69>

City Council at its meeting of August 25, 26, and 27, 2010 adopted the report *15-27 Beverley Street – Official Plan and Zoning By-law Amendment, Demolition Application under Municipal Code 667 – Final Report* which required the owner of the property to pay the City, prior to the issuance of the first above grade permit, the sum of \$770,000 for cash-in-lieu of the six residential rental housing units existing on the lot at the time of the application. The funds are to be paid to the City's Capital Revolving Reserve Fund for Affordable Housing for the purpose of constructing new affordable housing units.
<http://app.toronto.ca/tmmis/viewagendaitemhistory.do?item=2010.te36.8>

ISSUE BACKGROUND

The revitalization of Alexandra Park and the Atkinson Housing Co-operative will result in the demolition and replacement or rehabilitation of 806 affordable rental townhouses and apartments owned by Toronto Community Housing. It will also include the creation of approximately 1,540 new market units. Also taking place will be the addition of new retail space, the replacement of aging infrastructure and the building of new public amenities.

Funds secured through Sections 37 and 45 have previously been used to develop new affordable housing within Ward 20 as community benefits. The benefits described in this report have already been secured through a Section 37 Agreement with the developer of 15-27 Beverley Street and have been designated to replace up to six demolished units.

COMMENTS

Staff from the Affordable Housing Office and City Planning will work with TCH and the local Councillor to plan the investment of the Section 37 funding.

The \$782,963 was secured from the developer of 15, 17, 17R, 19, 21, 27 Beverley Street as cash-in-lieu of the replacement of six rental units. As such, these funds must be used to create new affordable rental housing in Ward 20. The funds will be deposited into the Capital Revolving Reserve Fund for Affordable Housing following approval of this report.

The funds will be allocated to TCH to develop up to six new affordable rental homes, subject to TCH entering into a legal agreement with the City outlining the terms and conditions of the funding.

CONCLUSION

The revitalization of Alexandra Park and Atkinson Co-op is underway and the allocation of Section 37 funds from 15-27 Beverley Street in Ward 20 will assist in the provision of

up to six new affordable rental homes. AHO and Planning Staff will work with the local Councillor and Toronto Community Housing to maximize the community benefits utilizing of these funds.

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SIGNATURE

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