



Decision Letter

EX4.10

Affordable Housing Committee

Meeting No.	1	Contact	Jennifer Forkes, Committee Administrator
Meeting Date	Monday, March 9, 2015	Phone	416-392-4666
Start Time	9:30 AM	E-mail	ah@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Ana Bailão

AH1.9	ACTION	Adopted		Ward:19
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Securing Affordable Housing at 10, 11, 25 and 30 Ordnance Street and 45 Strachan Avenue

Committee Decision

The Affordable Housing Committee recommends that:

1. City Council authorize the City to enter into an agreement with Habitat for Humanity, Greater Toronto Area, Build Toronto, the developer and any other party deemed necessary, to secure the purchase and financing of the Habitat Units at below market value.
2. City Council authorize the City to be a party to the agreements of purchase and sale contemplated to be entered into for the Habitat Units as a contingent transferee, in order to ensure the benefit of the Habitat Units is secured for the intended purposes, in the event that Habitat for Humanity, Greater Toronto Area or its assignee is not able to complete the transactions.
3. City Council authorize the City to assign its interests in the Habitat Units to another not for profit housing provider, chosen by the Director, Affordable Housing Office to give effect to the intended purpose of the Habitat Units as affordable housing, or to an arm's length purchaser at fair market value if no agreement can be made with a suitable not for profit, on terms and conditions determined by him and in a form satisfactory to the City Solicitor prior to the closing date with the developer, with the intention that there are no financial consequences to the City having been a party to the agreements of purchase and sale for the Habitat Units.
4. City Council authorize the proceeds of the assignment of an agreement of purchase and sale for a Habitat Unit at fair market value to be paid to the Capital Revolving Reserve Fund for Affordable Housing (XR1058) after payment of all expenses incurred in making the assignment of any of the Habitat Units.
5. City Council approve up to \$625,000.00 in financial assistance from the Development Charges Reserve Fund (2009) for Subsidized Housing (XR2116) for Habitat for Humanity, Greater Toronto Area, in the form of a grant by way of forgivable loan for

the Habitat Units under the terms of the City's Home Ownership Assistance Program.

6. City Council authorize the Director, Affordable Housing Office to provide up to \$1,250,000.00 from the federal/provincial Investment in Affordable Housing Program Extension – Homeownership Component, in the form of grants by way of forgivable loans, for down payment assistance loans to lower-income purchasers, on the properties known as 10, 11, 25, and 30 Ordnance Street and 45 Strachan Avenue.
7. City Council authorize the Director, Affordable Housing Office to negotiate and execute, on behalf of the City, the agreement referred to Recommendation 1 above and the agreements with Habitat for Humanity, Greater Toronto Area to secure the funding referred to in Recommendations 5 and 6 above, as well as any documents, agreements, or security required to give effect to the foregoing on terms and conditions determined by the Director, Affordable Housing Office and in a form approved by the City Solicitor.
8. City Council authorize and direct the City Solicitor to execute the agreements of purchase and sale for the Habitat Units, together with any documents or agreement relating to an assignment or a re-sale transaction that may occur as a result of entering into that agreement, and to amend and to waive any terms and conditions on behalf of the City, on such terms as she considers reasonable.
9. City Council grant authority to the City Solicitor to execute any documents required to register security for the funding referred to in Recommendations 5 and 6 above and to postpone, confirm the status of, and discharge security, as required by normal business practices.
10. City Council increase the 2015 Approved Operating Budget for Shelter, Support and Housing Administration (SSHA) by \$1,250,000.00 gross, \$0 net, fully funded from Investment in Affordable Housing Program (IAH), to provide funding for the affordable housing initiatives recommended in the report (February 19, 2015) from the Director, Affordable Housing Office.

Origin

(February 19, 2015) Report from the Director, Affordable Housing Office

Summary

This report recommends an innovative affordable ownership housing initiative between Habitat for Humanity, Greater Toronto Area ("Habitat"), the City of Toronto, and Build Toronto.

Twenty-five new affordable ownership homes by Habitat will be secured and funded to provide housing for lower-income Toronto families. The homes will be incorporated into the multi-building condominium development at 10, 11, 25, and 30 Ordnance Street and 45 Strachan Avenue (the "Ordnance Triangle").

10, 11, and 25 Ordnance Street and 45 Strachan Avenue were surplus City of Toronto properties that were transferred to Build Toronto in 2011. This report seeks authority for the City to enter into an affordable housing agreement with Habitat, Build Toronto, and the developer whereby 25 units will be sold at below market value. Both Build Toronto and the City will provide funding and when combined with Habitat's contributions, the partnership will make the homes affordable to eligible lower-income Toronto families.

City funding for the Habitat homes is recommended to come from the federal/provincial Investment in Affordable Housing Program (IAH) and the City of Toronto's Home Ownership Assistance Program (HOAP). Under the IAH guidelines, Habitat is eligible for \$50,000 per home in loan funding and the HOAP provides \$25,000 per home. If the Habitat family sells the home within 20 years, the loans are repaid to the City with a share of appreciation and the funds go on to help subsequent eligible purchasers.

Under the City's affordable housing action plan Housing Opportunities Toronto, 2010-2020 (HOT), Build Toronto sites are prioritized for affordable housing funding and incentives. Affordable home ownership housing is a priority of HOT, which sets a target of 200 new affordable ownership homes annually. This initiative is consistent with the City's previous work with Habitat on small scale affordable housing for families.

Background Information

(February 19, 2015) Report from the Director, Affordable Housing Office on Securing Affordable Housing at 10, 11, 25 and 30 Ordnance Street and 45 Strachan Avenue (<http://www.toronto.ca/leqdocs/mmis/2015/ah/bqrd/backgroundfile-76799.pdf>)

Speakers

(March 9, 2015) Ene Underwood, Chief Executive Officer, Habitat for Humanity, GTA