

**Feasibility of Acquisition or Expropriation of 214, 218,
220, 222, 224, 226 and 230 Sherbourne Street**

Date: June 11, 2018
To: Affordable Housing Committee
From: Director, Affordable Housing Office
Director, Real Estate Services Division
Wards: Ward 27 Toronto Centre-Rosedale

REASON FOR CONFIDENTIAL INFORMATION

This report is about a proposed or pending land acquisition by the City or one of its agencies or corporations.

SUMMARY

In May 2018, City Council directed staff, in consultation with CreateTO, to conduct the necessary due diligence on the acquisition or expropriation of the seven abutting properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street ("the Properties") for affordable housing purposes.

Given the preliminary assessment and due diligence work outlined in this report and Confidential Attachment 1, staff do not recommend the acquisition or expropriation of the Properties at this time.

The City of Toronto does not currently have a policy or standardized approach to the acquisition/ expropriation of properties for affordable housing development. This report recommends CreateTO, the Director, Real Estate Services Division and the Director, Affordable Housing Office, develop an affordable housing real estate acquisition/ expropriation strategy and report on the strategy in 2019 as part of the development of the Housing Opportunities Toronto 2020-2030 Action Plan.

RECOMMENDATIONS

The Director, Affordable Housing Office and Director, Real Estate Services Division recommend that:

1. City Council receive Confidential Attachment 1 to the report dated June 11, 2018 for information purposes only and authorize the public release of Confidential Attachment 1 to the report following the closing of any acquisition/ expropriation, or in five years from adoption of the report, whichever occurs first.

2. City Council direct the Transition Lead, CreateTO, the Director, Real Estate Services Division and the Director, Affordable Housing Office, to develop an affordable housing real estate acquisition/ expropriation strategy and report on the strategy as part of the Housing Opportunities Toronto 2020-2030 plan in 2019.

FINANCIAL IMPACT

This report is to present preliminary information on the feasibility of acquiring or expropriating the properties and as such, there is no financial impact. Relevant financial information is set out in Confidential Attachment 1.

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

DECISION HISTORY

City Council at its meeting on March 26 and 27, 2018, adopted MM38.10, *230 Sherbourne Street - Potential Property Acquisition for Affordable Housing Purposes* which directed staff to report back to the June 25, 2018 Affordable Housing Committee on the results of the due diligence and the potential sources of funding to acquire the properties. The City Council Decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.MM38.10>

COMMENTS

Subsequent to City Council decision on March 26 and 27, 2018, the Affordable Housing Office, in consultation with Real Estate Services Division, conducted preliminary due diligence for the potential acquisition or expropriation of the properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street.

Details of the preliminary analysis and due diligence on the Properties are outlined in Confidential Attachment 1 of this report. Based on this assessment staff do not recommend the acquisition or expropriation of the Properties at this time.

The Properties are located west of Sherbourne Street and south of Dundas Street East in Ward 27. The Properties are currently vacant lots except for the designated heritage property at 230 Sherbourne Street.

Although CreateTO and the City use surplus City properties to support the creation of new affordable housing, the City does not currently have a policy or standardized approach to the strategic acquisition of real estate for affordable housing. This report recommends that CreateTO, the Director, Real Estate Services Division and the Director, Affordable Housing Office, develop an affordable housing real estate

acquisition/ expropriation strategy and report on the strategy as part of the Housing Opportunities Toronto 2020-2030 plan. The Housing Opportunities Toronto 2020-2030 Action Plan will be developed by City staff during 2018 and 2019, including consultations with the public, stakeholders and City ABCDs, and is scheduled for City Council's review in 2019.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Location Map - 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street
Confidential Attachment 1

Attachment 1: Location Map- 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street

