

1555 - 1575 Queen Street East (Don Summerville) Revitalization Plan

Date: July 12, 2019
To: City Council
From: Deputy City Manager, Community and Social Services
Wards: Ward 14 Toronto-Danforth

SUMMARY

At its meeting of July 3, 2019, the Planning and Housing Committee adopted, with amendments, report *PH7.4 -A New Approvals Framework for Toronto Community Housing Corporation Revitalization Projects*. The Committee also requested that the Deputy City Manager, Community and Social Services report directly to City Council at the meeting of July 16 and 17, 2019 on the redevelopment of the Don Summerville buildings at 1555-1575 Queen Street East with a development proposal based on discussions among City staff, Toronto Community Housing ("TCHC") and the developer of the site.

The Don Summerville complex is comprised of two aging six-storey apartment buildings containing 120 units with combined capital repair needs of about \$22,000,000. The complex is located in the Leslieville/Beach area with good access to transit, retail, parks and Lake Ontario, making it a desirable location for a new mixed-income, mixed-use community.

In response to the Committee's request and in collaboration with the City, TCHC is proposing a revised and unique revitalization model for the Don Summerville site. TCHC intends to achieve the revitalization through the sale of a portion of the land and the retention of a portion in public ownership. The revitalization plan recommends replacing the existing 120 social housing units and adding up to 100 new affordable rental, as well as market rental and condominium units. The revitalization model proposes a mix of unit types and income levels integrated within the various buildings.

Through the ongoing development review and community consultation processes, an appropriate built form will be identified, which will ultimately determine the final number of rental and ownership homes at the site. The final report on the development application will be reported by the Chief Planner and Executive Director, City Planning to the Planning and Housing Committee.

This report recommends that City Council, as the sole Shareholder and Service Manager for Toronto Community Housing Corporation, approve the revitalization of Don Summerville located at 1555 and 1575 Queen Street East at Coxwell Avenue.

In addition, this report recommends that City Council approve a contribution of up to \$6 million to be invested towards the City's acquisition of 32 new permanently affordable rental homes and Open Door Incentives for all 100 new affordable rental units.

RECOMMENDATIONS

The Deputy City Manager, Community and Social Services recommends that:

Service Manager and Shareholder Consents

1. City Council, in its capacity as Shareholder of Toronto Community Housing Corporation (TCHC):

- a) approve pursuant to Section 7.4.1 (c) of the City's Shareholder Direction to TCHC,
 - i. the revitalization of TCHC's Don Summerville site at 1555-1575 Queen Street East; and
 - ii. the adjustment of TCHC's service level obligations under the Operating Agreement between the City and TCHC by reducing the number of rent-geared-to-income units by 17 (from 120 to 103);
- b) approve, pursuant to Section 7.4.1 (b) of the City's Shareholder Direction to TCHC, the sale of a portion of the Don Summerville lands to Context (Summerville) Inc. or its designate or any affiliate, on terms and conditions satisfactory to the Executive Director, Housing Secretariat and the interim General Manager, Shelter, Support & Housing Administration;

on the conditions that:

- c) consistent with the service level standards, a minimum of 120 units of rent-geared-to-income ("RGI") housing is to be made available on the Don Summerville site;
- d) 17 rent-geared-to-income commercial rent supplements are made available to the non-profit affordable rental housing provider selected in accordance with recommendation 12 below;
- e) The net sale proceeds of any sale, after costs of the transaction, are invested in the revitalization of Don Summerville; and

- f) TCHC report annually, through TCHC's *Annual Report* to Council, on the status of the revitalization of the Don Summerville site and on any tenant and community impacts resulting from the revitalization.

2. City Council, in its capacity as Service Manager under the *Housing Services Act, 2011* authorise the interim General Manager, Shelter, Support and Housing Administration, following consultation with the Executive Director, Housing Secretariat to grant any necessary Service Manager consents pursuant to the *Housing Services Act, 2011* to:

- a) The transfer of portions of 1555-1575 Queen Street East to Context (Summerville) Inc. or its designate or affiliate;
- b) the redevelopment of that part of 1555-1575 Queen Street East retained by TCHC;
- c) all encumbrances required by TCHC for the purposes of the revitalization of 1555- 1575 Queens Street East;
- d) the redevelopment, transfer, mortgage and encumbering by third parties of all real property disposed of by TCHC and not used for social or public housing, that are required prior to such real property being released from the Housing Services Act, 2011;

subject to:

- e) TCHC and/or the prospective purchasers of Don Summerville lands obtaining the various necessary planning approvals and legislative, municipal and corporate consents (including consent of mortgagees, if necessary); and
- f) TCHC providing a Tenant Relocation and Assistance Implementation Plan (TRAIP), satisfactory to the Chief Planner and Executive Director, City Planning in consultation with the Executive Director, Housing Secretariat and the interim General Manager, Shelter, Support and Housing Administration, that describes TCHC's obligations regarding tenant relocation of Don Summerville tenants for all phases of the revitalization and to provide updates to the Plan as appropriate, pursuant to the requirements set out in Agreements under Section 37 of the *Planning Act* and Section 111 of the *City of Toronto Act*.

3. City Council, in its capacity as Service Manager under the *Housing Services Act, 2011* authorise the interim General Manager, Shelter, Support and Housing Administration, to revise the subsidy paid to TCHC as a result of the revitalization of Don Summerville to reflect 103 RGI units.

Affordable Rental Housing

4. City Council authorize the Executive Director, Housing Secretariat, to negotiate and enter into, on behalf of the City, a Memorandum of Understanding with TCHC and Context (Summerville) Inc. on terms and conditions satisfactory to the Executive Director, Housing Secretariat, and in a form approved by the City Solicitor, to reflect the transactions terms outlined in Attachment 1 this report.
5. City Council authorize that the affordable rental housing and the replacement rent-geared-to-income housing to be constructed on the lands currently known as 1555-1575 Queen Street East, be exempt from the payment of development charges and provide a waiver of all planning and building permit fees and parkland dedication fees.
6. City Council authorize an exemption from taxation for municipal and school purposes for the affordable rental housing and the replacement rent geared to income housing to be constructed on the lands currently known as 1555-1575 Queen Street East for the periods of affordability set out in the chart in the Financial Impact section of this Report.
7. City Council authorize City staff to cancel or refund any taxes paid with respect to the affordable rental housing after the effective date of the tax exemption.
8. City Council authorize the Executive Director, Housing Secretariat, to negotiate and enter into, on behalf of the City, municipal housing facility agreements, with TCHC and Context (Summerville) Inc., or related corporations, to secure the financial assistance being provided through the Open Door Program, for the affordable housing to be developed on lands currently known at 1555-1575 Queen Street East, on terms and conditions satisfactory to the Executive Director, Housing Secretariat, and in a form approved by the City Solicitor.
9. City Council authorize severally each of the Executive Director, Housing Secretariat and the General Manager, Shelter, Support and Housing Administration to execute, on behalf of the City, consents, approvals, agreements or other documents that are ancillary to the any security or financing documents required by the developers of the site to secure construction and conventional financing and subsequent refinancing, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the municipal housing facility agreement, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by Council.
10. City Council authorize the Executive Director, Housing Secretariat and the General Manager, Shelter, Support and Housing Administration to provide any consent necessary to transfer or encumber the site and to negotiate and enter into any agreements or other documents required to effect any future transfer or assignment of the site and the associated legal agreements with the City to another legal entity, on terms and conditions satisfactory to them and in a form approved by the City Solicitor.

Non-Profit Operator and Financial Contribution

11. City Council approve capital funding up to \$6,000,000 from the Capital Revolving Reserve Fund for Affordable Housing (XR-1058) for the acquisition of 32 residential units, to be leased by the City to a non-profit housing provider which leasehold interest will be purchased by repaying the \$6,000,000 to the above-mentioned reserve fund.

12. City Council request the Executive Director, Housing Secretariat and the Deputy City Manager, Corporate Services to report to Council in 2020 to:

- a) seek the authorities required to advance the transactions contemplated in this report, including, but not limited to a obtaining approval to negotiate and enter into an agreement(s) of purchase and sale with Context (Summerville) Inc. or such other agreement(s) deemed necessary to secure the purchase of the 32 residential units; and
- b) seek authority to conduct a competitive process to select a non-profit housing provider to operate the 32 residential units (17 RGI and 15 affordable rental units) proposed to be secured by the City.

FINANCIAL IMPACT

Financial Impact to the City

Capital Contribution towards Affordable Rental Homes

This report recommends that City Council approve up to \$6,000,000 (\$6 million) from the Capital Revolving Reserve Fund for Affordable Housing (XR-1058), to be invested towards the acquisition of 32 residential units to be owned by the City and operated by a non-profit housing provider post-construction.

The selected non-profit will be required to repay the amount required for the purchase upon entering into a lease with the City.

The uncommitted balance in the Capital Revolving Reserve Fund as of May 24, 2019 is \$11,365,000.

This report also seeks City Council authority for the Executive Director, Housing Secretariat and the General Manager, Shelter, Support and Housing Administration to execute, on behalf of the City, any security or financing documents required by the developers of the site to secure construction and conventional financing and subsequent refinancing as required by normal business practices provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by Council.

Open Door Incentives

This report recommends that City Council, as part of the Open Door Program, allocate financial incentives to support the creation of up to 220 affordable rental homes at 1555-1575 Queen Street East. Of these 220 affordable rental homes, 120 will be rent-geared-to-income replacement homes and the remaining 100 homes will be new affordable rental housing.

The City incentives recommended for the development of affordable rental homes outlined in this report are within the approved five-year Open Door Program rental program plan. These incentives include relief from development charges, building permit, planning and parkland dedication fees as well as municipal property taxes.

It is estimated that about 220 affordable homes will be created on site at this point given that the necessary development application(s) have yet to be filed. Through the development review process and community consultation, a contextually appropriate built form will be reached, which will ultimately determine the final number of units to be built, including the affordable rental units.

Based on the City's 2020 development charges rates, 2019 planning & building fees, charges and tax relief estimates, this report proposes investment currently valued at \$16,359,372 in City incentives for 220 affordable rental homes as summarized below:

Table A: Open Door Incentives

	Site	Estimated Number of Affordable Rental Units (incl. RGI units)	Affordability Period	Estimated Development Charges*	Estimated Planning Fees and Charges**	Estimated Net Present Value of Property Taxes	Estimated Total Value of Incentives***
1	TCHC Building	138 (103 RGI and 35 affordable rental)	99 years	\$5,584,009	\$1,060,720	\$3,787,916	\$10,432,646
2	Non-Profit	32 (17 RGI and 15 affordable rental)	99 years	\$1,290,825	\$297,805	\$880,334	\$2,468,964
3	Context	50	40 years	\$2,022,010	\$429,965	\$1,005,788	\$3,457,762
Total		220	n/a	\$8,896,844	\$1,788,490	\$5,674,038	\$16,359,372

*calculated using November 2020 rates
 **calculated using 2019 rates
 ***Total incentive value per unit is approximately \$74,361

The value of the annual property tax exemption for the 220 homes is estimated at \$191,491 at 2019 rates. The net present value for the estimated 170 homes over the respected affordability periods to be operated by TCHC and a non-profit housing provider is estimated at \$4.7 million and the net present value for the estimated 50 affordable market homes to be operated by Context is estimated at \$1,005,788.

These amounts are captured under the proposed Open Door Incentives in Table A above and are summarized in greater detail below:

Table B: Breakdown of Additional Annual and Net Present Value of Property Taxes

Affordable Rental Units	Affordability Period	Property Tax	City (2019 Tax Rate)	Education (2019 Tax Rate)	City Building (2019 Tax Rate)	Total
138 (TCHC)	99 years	<i>Annual</i>	\$88,197	\$31,445	\$430	\$120,073
		<i>NPV</i>	\$2,782,344	\$992,004	\$13,568	\$3,787,916
32 (Non-profit)	99 years	<i>Annual</i>	\$20,498	\$7,308	\$100	\$27,906
		<i>NPV</i>	\$646,633	\$230,548	\$3,153	\$880,334
50 (Context)	40 years	<i>Annual</i>	\$31,961	\$11,395	\$156	\$43,513
		<i>NPV</i>	\$738,783	\$263,402	\$3,603	\$1,005,788

Financial Impact to TCHC

TCHC will be responsible for the cost of replacing the 120 social housing units as part of the revitalization plan funded through the business plan for the development.

It is anticipated that the proceeds to be generated from the sale of a portion of 1555-1575 Queen Street East and other payments from the developer will be used to develop the affordable rental homes, including the units to be owned by the City and operated by a non-profit housing provider.

City Planning staff will report to City Council on any arising financial impacts upon finalization of the required Planning applications.

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

EQUITY IMPACT

The revitalization of TCHC communities meets the City of Toronto's priorities and TCHC's objectives for creating quality homes and vibrant communities.

Redeveloping existing social housing and leveraging City-owned land to build additional affordable housing will increase the opportunity for lower-income and vulnerable individuals and families, including those not living in TCHC housing, to access safe, healthy and adequate homes. This will also assist in improving Toronto's economic and social well-being and easing health, justice and social costs.

In addition, the new homes proposed through the Don Summerville revitalization plan will provide a mix of housing opportunities for Toronto residents within a mixed-income, mixed-use, integrated community.

DECISION HISTORY

On July 3, 2019, through report *PH7.4 - A New Approvals Framework for Toronto Community Housing Corporation Revitalization Projects*, the Planning and Housing Committee directed the Deputy City Manager, Community and Social Services, to report directly to City Council at the meeting of July 16 and 17, 2019 on a revised development proposal for the Don Summerville revitalization.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH7.4>

On May 14, 2019, through report *AU2.1 - Moving Forward Together: Opportunities to Address Broader City Priorities in Toronto Community Housing Corporation Revitalizations*, City Council requested that the Executive Director, Housing Secretariat, in consultation with CreateTO, report to the July 3, 2019 meeting of the Planning and Housing Committee on any options for city-building objectives that may be included on revitalizations that have yet to obtain planning approvals.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.AU2.1>

On April 30, 2019, the Planning and Housing Committee deferred report *PH5.5 - A New Approvals Framework for Toronto Community Housing Corporation Revitalization Projects* to the July 3, 2019 meeting of the Planning and Housing Committee in recognition of the Auditor General's report on TCHC revitalizations.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH5.5>

On January 30, 2019, through report *EX1.1 - Implementing the "Housing Now" Initiative*, City Council directed the Deputy City Manager, Community and Social Services to report back to Planning and Housing Committee by the second quarter of 2019 on a framework that provides that TCHC includes net new affordable rental units as part of all new development projects on its lands.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX1.1>

COMMENTS

Site Context and Background

The Don Summerville complex is located at 1555 and 1575 Queen Street East at Coxwell Avenue. Don Summerville is a 3.3 acre community consisting of two six-storey apartment buildings built in 1969. The two buildings contain a total of 120 units with a mix of one (32%), two (28%) and three (40%) bedrooms. The community is located in the Leslieville/Beach area with good access to transit, retail, parks and Lake Ontario, making it a desirable location for development.

In July 2018, TCHC selected Context (Summerville) Inc. ("Context") as the developer partner for the revitalization of Don Summerville through a public procurement process. Context's proposal did not provide for new affordable rental housing within a mixed-income community. As a result, the Ward Councillor and the Planning and Housing Committee requested TCHC and City staff to work with the developer to find ways to add a range of housing opportunities through the revitalization.

Guiding Principles for TCHC Revitalizations

As requested by the Planning and Housing Committee and outlined below, the revised proposal has been assessed to ensure that the guiding principles under the new revitalizations approval framework proposed in report *PH7.4 -A New Approvals Framework for Toronto Community Housing Corporation Revitalization Projects* will be achieved as part of Don Summerville revitalization plan. These principles will continue to serve as a guide through the development review and community consultation processes.

Table D – Guiding Principles Assessment

Principle	Achieved	Details
Achieve highest possible public benefits	Yes	Proposed revitalization plan maximizes land value and provides a mixed-income community with range of housing opportunities.
Priority to be given to the development of market and affordable rental housing	Yes	Proposed development concept provides for an increased number of rental units on site and an integrated mix of unit types and sizes.
Create homes affordable for a diverse range of incomes	Yes	Revised proposal will create homes for residents with a range of incomes.
Existing City and other operations and uses be appropriately addressed	Yes	No City operations impacted; all existing rent-g geared-to-income units to be replaced.
Ensure that the projects contribute appropriately to city-building objectives	Yes	Affordable housing and new parkland to be achieved.
Priority for the public retention of sites including long-term land leases	Yes	The existing TCHC building will be replaced on City-owned land. A new non-profit housing provider will operate up to 32 units under 99 year lease within a new rental building.
A strong commitment to public consultation and engagement with City Councillor and local community	Yes	A robust and resourced community consultation engagement plan and communications strategy will be developed in consultation with the local Councillor.

Principle	Achieved	Details
Efforts must be made to reduce the time that units are out of circulation	Yes	The TCHC building is estimated to take 18-24 months to construct, while the market building is estimated to take 24-30 months to construct.

Community and Councillor Engagement

As part of the revitalization plan and funded by the developer, a robust community engagement plan and communications strategy will be developed. Staff in the Housing Secretariat and City Planning will work with TCHC and Context to scope the deliverables and hire a consultant to develop the community engagement plan and communications strategy in consultation with the local Councillor. Funding through the developer will also be directed to fund the necessary resources at the City’s Association of Community Centres (AOCC) to lead and assist in TCHC tenant engagement and development in consultation with the Ward Councillor.

Housing Secretariat, TCHC and City Planning staff will also engage with the local City Councillor to discuss site-specific details and proposed plans. Furthermore, Councillor and community engagement will be facilitated on a regular basis, including at various stages of the development and planning approval processes.

Planning Application Review

The proposal in its current form will require applications for Official Plan Amendment, Zoning By-law Amendment and Site Plan Approval. An earlier version of the proposal has been discussed with City Planning staff in pre-application meetings; however, that version had fewer units and achieved no new affordable housing over and above replacement social housing.

Once a planning application is submitted, City Planning staff will review the proposal, circulate the application to other commenting partners and align with the community engagement process described above to obtain community input into the planning review. Should any revisions to the proposal be required, staff will work with TCHC and Context to incorporate revisions in a way that satisfies the intent of the Official Plan and achieves the Guiding Principles for TCHC Revitalizations.

Project Delivery

TCHC and the Housing Secretariat will jointly oversee delivery of the revitalization in collaboration with other City divisions and CreateTO.

Subject to Council approval of the project, the Executive Director, Housing Secretariat will implement an inter-divisional governance model for the revitalization. Similar to the Housing Now Initiative model, this includes liaising with the City Councillor and proactively identifying or resolving issues arising in the pre-development, development and occupancy stages.

Required Consents

Under TCHC's Shareholder Direction TCHC requires shareholder approval to sell real property assets used for the purposes of providing rent-geared-to-income and market housing, or which are zoned or deemed suitable for housing purposes; and requires approval of the *City as Shareholder and Service Manager* to proceed with revitalization projects, or material changes in the number or distribution of rent-geared-to-income units, including changes to targeting plans.

Under the Housing Services Act an owner of a designated housing project (that was transferred to a local housing corporation under a transfer order made under Part IV of the former Social Housing Reform Act) may transfer, mortgage or develop a designated housing project or the land where it is located only with the written consent of the service manager. This restriction applies regardless of the identity of the owner until such time as the land is no longer subject to the Housing Services Act. Lands and designated housing projects or parts thereof can be released from the application of the Housing Services Act by applying to the Minister of Municipal Affairs and Housing to revise the schedules to the regulation describing the designated housing projects to which the Act applies. Staff have recommended that Council delegate authority to grant any necessary Service Manager consents pursuant to the Housing Services Act, 2011 to the redevelopment, transfer, mortgage and encumbering by third parties of all real property disposed of by TCHC and not used for social or public housing, that are required prior to such real property being released from the Housing Services Act, 2011.

Failure to obtain the required consent may result in a transaction being invalid and of no force or effect.

Conclusion

The Don Summerville revitalization plan recommended in this report provides a unique city-building opportunity for TCHC and the City to address the capital repair needs of its existing buildings onsite, plus achieve a range of housing opportunities including a significant number of net new affordable rental housing through leveraging land value. The proposed mix of 75% RGI and 25% market rental units within the TCHC building will also establish a new sustainable model for TCHC communities that can be replicated in future revitalization projects. Additionally, the proposed mixing of units within the various buildings presents an innovative approach to creating integrated buildings within a mixed-income, mixed-use community.

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SIGNATURE

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ATTACHMENTS

Attachment 1 – Summary of Revised Don Summerville Revitalization Proposal Terms

ATTACHMENT 1: Summary of Revised Don Summerville Revitalization Proposal Terms

Working with TCHC and the Housing Secretariat, Context (Summerville) Inc. has prepared a revised development proposal, which includes a better mix of affordable rental, rent-geared-to-income, market rental and condominium units onsite while preserving the existing rent-geared-to-income units. Including the new TCHC building, over half of the units (52%) on site will be rental, and over a quarter (28%) of the site would be affordable and rent-geared-to-income.

The revised proposal results in 100 net new affordable rental units and 195 market rental units interspersed among the new TCHC building, a new market rental building and a condominium building, contingent on achieving assumed heights and densities through the Planning approval process.

The proposed complex will be composed of:

1. a new TCHC building containing 138 units, 103 of which are replacement rent geared to income;
2. a new market rental building containing 240 units to be operated by a private owner, who will provide 50 units at or below average market rent for a period of 40 years, under a municipal capital facility agreement with the City;
3. a condominium building containing 388 units, 6 of which will be sold to the City, which will then select a not for profit housing provider to operate them, together with the 24 units being acquired in the podium of the new market rental building; and
4. a freehold interest, in the podium of the market rental building, which will be acquired by the City and operated by the selected not for profit housing provider which will also operate the 6 units in the adjoining condominium.

It is proposed that the 32 units to be acquired by the City will be leased for 99 years to an experienced not for profit housing provider, selected through a competitive process. 17 of the rent-geared-to-income units that were located in the Don Summerville complex will be converted to commercial rent supplements and administered by the not for profit housing provider.

Table E below describes the site statistics of the proposed TCHC building and market building, from the existing condition and initial plan to the newly proposed plan:

Table E –Site Statistics

	Existing TCHC Building	Original Development Proposal	First Revised Proposal	Newly Proposed Plan
Market Condo Units	0	500	360	382
Market Rental Units	0	0	195	195
Affordable Rental Units	0	0	75	100
RGI Units	120	120	120	120
Total Units*	120	620	750	797

* The unit counts above are estimates and subject to change as a result of the Planning process

Table F below shows the proposed mix of units to be operated by each operator onsite:

Table F – Proposed Mix of Units

Buildings Stats	Context Condominium**	Non Profit Portion (located within Context Rental Building)	Context Rental Building	TCHC
Market Condo Units	382	0	0	0
Market Rental Units	0	0	195	0
Affordable Rental Units	5	10	50	35
RGI Units	1	16	0	103
Total*	388	26	245	138

* The unit counts above are estimates and subject to change as a result of the Planning process

** The affordable rental and RGI units within the Context Condominium Building will be owned and managed by the selected non-profit.

Affordable Rental Homes and Tenant Access

The affordable rental homes to be developed at Don Summerville will include a range of bedroom types, including 1-bedroom, 2-bedroom, 3-bedroom and 4-bedroom homes.

In terms of affordability to be achieved, this new revitalization plan currently provides for:

- 50 permanent affordable rental homes (32 non-profit and 18 TCHC units); and
- 50 long-term affordable rental homes to remain affordable for 40 years and rented at
 - 80% average market rent for 30 years; and
 - 100% average market rent for 10 years upon turnover.

The exact number of homes will be determined through the Planning process and affordable rents will be updated to the year the development opens.

Prior to occupancy of the affordable units, the City, in consultation with the local Councillor, will assist in defining the target housing groups. Staff in the Shelter, Support and Housing Administration Division will also work with TCHC, Context (or its building operator) and the non-profit housing provider to be selected, to develop a tenant access plan and establish annual reporting requirements. In addition, Shelter, Support and Housing Administration staff will have on-going responsibility to ensure that the affordable housing is maintained in accordance with the signed affordable housing contribution agreements, including adherence to access requirements and that rent levels are kept affordable throughout the term of the agreements.

Non-Profit Operator Selection Process

As mentioned above, the proposed revised plan assumes a non-profit housing provider (including a co-operative housing provider) to operate about 32 units for a 99 year term. Out of the 32 affordable units, 17 are assumed to be RGI providing deeply subsidized housing options for residents outside of TCHC.

Community Economic Development Contribution

In addition to land payment and other amounts due to TCHC under the proposed agreement, Context will also be responsible for contributing at least \$850,000 towards community economic development. This includes contributing towards scholarships, job training for TCHC residents and job creation. This contribution amount could increase to about \$1.5 million depending on the number of jobs created through the revitalization.