



REPORT FOR ACTION

Regent Park Phase 3 Service Manager Consent to Transfer Block 1

Date: June 26, 2020

To: Planning and Housing Committee

From: General Manager, Shelter, Support and Housing Administration

Wards: Ward 13 - Toronto Centre

SUMMARY

Toronto Community Housing Corporation has embarked on a multi-phase plan to redevelop Regent Park, the country's largest social housing community. Toronto Community Housing Corporation is more than halfway through the revitalization that will replace 2,083 rent-geared-to-income units and develop approximately 5,400 market units and 400 affordable rental units within a 69 acre site.

As part of the Phase 3 Revitalization, on January 10, 2020, Toronto Community Housing Corporation submitted a request to Shelter, Support and Housing Administration for consent to transfer legal title of Block 1, plan 66M-2529 (the Market Block), the last Market Block in Phase 3, to Daniels Regent Development Corporation to be developed as condominiums in connection with the redevelopment. The request for Service Manager consent also includes future transfers of the Market Block and consent to any mortgage granted to Toronto Community Housing Corporation by Daniels Regent Development Corporation to develop the Market Block including all future mortgages. Toronto Community Housing Corporation will use the proceeds from the land sales to fund costs associated with building replacement social housing units. The request has no financial implications to the City.

This report recommends that City Council as Service Manager grant consent for the transfer of the Market Block to Daniels Regent Development Corporation as part of Phase 3 of the Council-Approved Regent Park Revitalization.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration, recommends that:

1. City Council acting as Service Manager under the Housing Services Act, 2011, pursuant to subsection 161 (2), provide consent for the transfer by Toronto Community Housing Corporation of legal title to Block 1 on Plan 66M-2529 (the "Market Block") to Daniels Regent Development Corporation subject to the following conditions:

- a. Toronto Community Housing Corporation shall reimburse the Service Manager for all provincial housing costs attributable to the Market Block that the Service Manager shall be responsible for pursuant to the Housing Services Act;
- b. Toronto Community Housing Corporation shall have advised the General Manager, Shelter, Support and Housing Administration, of the proposed closing date and undertakes to advise the General Manager, Shelter, Support and Housing Administration, of any extension of the closing date or dates for such sale;
- c. Toronto Community Housing Corporation shall provide the General Manager, Shelter, Support and Housing Administration, with details of the transfers to Daniels Regent Development Corporation within ten (10) days of closing, including copies of all registered transfers and the relevant parcel registers, so that the General Manager, Shelter, Support and Housing Administration, may apply to the Province to advise Canada Mortgage and Housing Corporation of the sale and removal of the Market Block from the social housing portfolio;
- d. Toronto Community Housing Corporation shall use the net financial proceeds to fund a portion of the cost of construction for the replacement social housing in Regent Park; and
- e. such other conditions that the General Manager, Shelter, Support and Housing Administration, considers reasonable and necessary to carry out the recommendations adopted by Council.

2. City Council authorize the General Manager, Shelter, Support and Housing Administration, to:

- a. advise the Minister of Housing pursuant to section 163 of the Housing Services Act of the consent provided to the transfer of the Market Block to Daniels Regent Development Corporation and to request that these lands be removed from the social housing portfolio;
- b. provide as required Service Manager consent pursuant to subsection 161 (2) of the Housing Services Act on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration, and in a form satisfactory to the City Solicitor, to any construction financing proposed by or on behalf of Daniels Regent Development Corporation; and

c. provide as required Service Manager consent pursuant to subsection 161 (2) of the Housing Services Act on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration, and in a form satisfactory to the City Solicitor, to future transfers of the Market Block by or on behalf of Daniels Regent Development Corporation pending the removal of the Market Block from the social housing portfolio.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendations in this report. The costs of the Regent Park Revitalization will be fully funded by Toronto Community Housing Corporation.

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

EQUITY IMPACT

The recommendations in this report, if adopted by Council, support the continued transformation of Regent Park into a mixed-use, mixed income community. In turn, it will increase access to a mix of housing opportunities for community members representing a range of equity seeking groups including low-income households, vulnerable seniors, persons with disabilities, youth, newcomers and racialized groups.

DECISION HISTORY

At its meeting held on March 28 and 29, 2017, City Council, acting as Service Manager under the Housing Services Act, 2011, pursuant to subsection 161 (2), provided the necessary consents, for Market Blocks 2S and 3S of Regent Park Redevelopment Phase 3.

The staff report and decision document can be accessed at the following link:
[Regent Park Phase 3 Service Manager Consent](#)

On March 20, 2014 City Council approved proceeding with Phase 3 of the Regent Park Redevelopment.

The staff report and decision document can be accessed at the following link:
[Final Report - 325 Gerrard Street East - Official Plan Amendment and Zoning Amendment, Residential Demolition Control Applications \(Phases 3-5\)](#)

On October 30, 31 and November 1, 2012, City Council provided the necessary Service Manager consents under the Housing Services Act for Blocks 5, 7 and 9 of Regent Park Redevelopment Phase 2.

The staff report and decision document can be accessed at the following link:
[Service Manager Consents Under the Housing Services Act, 2011: Regent Park Redevelopment Phase II and Lawrence Heights Redevelopment](#)

At its meeting of March 5, 6 and 7, 2012, City Council provided the Service Manager consent required under the Housing Services Act 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 2 of the Regent Park Redevelopment project described as Block 7 of plan 66M– 2491.

The staff report and decision document can be accessed at the following link:
[Service Manager Consent under the Housing Services Act, 2011 to Mortgage a Parcel of Land in Regent Park - Phase Two Redevelopment](#)

On August 25, 2010, City Council approved proceeding with Phase 2 of the Regent Park Redevelopment.

The staff report and decision document can be accessed at the following link:
[Final Report - 591 Dundas Street East - Regent Park Phase 2 - Application to Remove the Holding Symbol \(h\) from the Zoning By-law and Application for Residential Demolition](#)

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

The staff report can be accessed at the following link:
[Regent Park Revitalization - City Actions](#)

COMMENTS

Regent Park Phase 3 Consent Request

In January 2003, City Council, acting as the sole shareholder of Toronto Community Housing Corporation, approved the multi-phase revitalization of the Regent Park community. The Regent Park revitalization will replace 2,083 rent-geared-to-income units and develop approximately 5,400 market units and 400 new affordable rental units in five phases within the 69 acre site.

Toronto Community Housing Corporation has been working with Daniels Regent Development Corporation since 2006 to successfully complete Phases 1 and 2 of the revitalization, with Phase 3 currently under construction. Toronto Community Housing Corporation is in the process of securing a developer partner for Phases 4 and 5, the last two phases of the revitalization.

On January 10, 2020, Shelter, Support and Housing Administration received a request from Toronto Community Housing Corporation for Service Manager consent to transfer the Market Block to Daniels Regent Development Corporation, as well as consent for all future transfers of the Market Block and any mortgage to be granted to Toronto

Community Housing Corporation by Daniels Regent Development Corporation, construction financing to develop the Market Block and all future mortgages to be given by purchasers of individuals units constructed on the Market Block.

Block 1 is the last Market Block in Phase 3, which will be developed as a condominium development, with both residential and commercial uses. Toronto Community Housing Corporation is selling Block 1 to Daniels Regent Development Corporation and using the proceeds from the land sale to fund the costs associated with building replacement social housing units in Regent Park. This business structure is focused on reducing Toronto Community Housing Corporation's exposure to risk by securing land value upfront.

Block 1 is located at the corner of Gerrard Street East and Parliament Street. It formerly housed two Toronto Community Housing Corporation social housing buildings, 365 Parliament Street and 295 Gerrard Street East, with a total of 119 rent-geared-to-income units. The buildings were demolished in the winter of 2019. The Regent Park Tenant Relocation and Assistance Implementation Plan governed the relocation of the 85 families living in these two buildings. 57 families moved directly to replacement units in 50 Regent Park Boulevard, 110 River Street, 21 Tubman Avenue and 252 Sackville Street. 17 families were relocated to units in the Phase 4 and 5 buildings in Regent Park and 11 families were moved offsite to other units in the Toronto Community Housing Corporation portfolio. Of these 28 families, some will move to 150 River Street and the remainder will be offered units in the last Regent Park Phase 3 building when it opens in 2023.

Replacement Units

Prior to the start of revitalization, Regent Park contained 2,083 Toronto Community Housing Corporation rental units, all of which were rent-geared-to-income units. By the end of Phase 3, Toronto Community Housing Corporation will have demolished 1,571 units and replaced a total of 1,857 housing units comprising 1,460 rent-geared-to-income units and 397 Affordable Rental units. The remaining replacement obligations will be fulfilled in Phases 4 and 5.

The breakdown of demolished units and replacement units is as follows:

Phase	Demolished Units	Replacement Units		
		Total	Rent-Geared-to-Income Units	Affordable Rent Units
1	418	778	644	134
2	499	428	291	137
3	654	651	525	126
Total	1,571	1,857	1,460	397

By the end of 2020, there will be fewer than 300 families due to move to a replacement unit in Regent Park. All Phase 1-3 tenants have been given the right to return and many Phase 4 and 5 households have been offered a unit.

Benefits to the City

Revitalization is one of Toronto Community Housing Corporation's key strategies to address its capital repair backlog and further the City's priorities for improving social housing stock. Proceeds from the sale of Block 1 will help to cover the cost of replacement social housing units and neighbourhood infrastructure.

The revitalization of Regent Park will enhance the quality of housing for low income households through the construction of 2,083 replacement units and new and updated local amenities. The revitalization of Regent Park also meets the City of Toronto's priorities and Toronto Community Housing Corporation's objectives for building healthy, liveable communities.

There have been several significant investments in community facilities, parks and commercial spaces. New amenities include daycares, the Daniels Spectrum, the Pam McConnell Athletic Centre, a new 6-acre Regent Park and playground, and the 2.8 acre Regent Park Athletic Grounds with a refurbished ice rink and running track. There are new retail spaces along Dundas Street East and Parliament Street, and new spaces for local social service agencies.

The revitalization has resulted in over 580 new jobs for Toronto Community Housing Corporation tenants and a direct investment of over \$3.2 million in training, scholarships, support for community organizations, and community events.

Approving Consent for this Request

The Housing Services Act, 2011 gives Service Managers the authority to make specific consent decisions that were formerly the purview of the Minister of Housing. These decisions include transfers of certain housing projects, under subsections 161 (2) and 162 (2) of the Housing Services Act.

The Minister of Housing has issued a Ministerial Directive imposing certain conditions on Service Manager consent, in addition to any other criteria a Service Manager may assess in considering whether to grant consent under subsection 161 (2) or 162 (2) of the Housing Services Act to the transfer of a housing project or land where it is located. The Directive states:

1. The Service Manager shall ensure that:

(a) residents of the housing project are advised of, and consulted on, the proposed transfer, and

(b) any identified adverse impacts on residents are appropriately mitigated.

2. The Service Manager shall ensure that net financial proceeds generated from the transfer will be used to support the delivery of a transferred housing program or in furtherance of another housing-related purpose contemplated in the Service Manager's housing and homelessness plan.

Toronto Community Housing Corporation has submitted all documents required for the review of their request for Service Manager consent to the transfer of the Market Block to Daniels Regent Development Corporation. City staff have reviewed the request to ensure compliance with the Ministerial Directive. The request is consistent with the Council-approved revitalization plan for Regent Park.

Consistent with HousingTO, Council's 2020-2030 action plan for affordable housing, Council is committed to supporting the efforts of Toronto Community Housing Corporation to implement its real estate investment strategy. The proposed revitalization of Regent Park is part of Toronto Community Housing Corporation's real estate investment strategy for maintaining its stock of housing in a state of good repair.

Revitalization initiatives provide an important city building opportunity by improving the quality of life of Toronto Community Housing Corporation residents while physically transforming former public housing neighbourhoods into mixed-income, mixed-use communities. Revitalization also has a positive influence on the capital repair backlog. As communities are revitalized, all deferred capital maintenance that contributes to the backlog within those communities is eliminated. The Toronto Community Housing Corporation Ten-Year Capital Plan incorporates the reduction in the capital backlog associated with the sale of assets and revitalization sites. By investing to replace the existing units with new energy efficient high quality housing as part of revitalizing the entire community, Toronto Community Housing Corporation eliminates the current capital repair backlog and can direct the savings to other Toronto Community Housing Corporation communities.

CONTACT

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SIGNATURE

Mary-Anne Bédard, General Manager
Shelter, Support and Housing Administration

ATTACHMENTS

Attachment 1: Regent Park Phase 3 Block 1