

Clause embodied in Report No. 8 of the Community Services Committee, as adopted by the Council of the City of Toronto at its meeting held on July 24, 25 and 26, 2001.

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Shelter Proposal at 2714 Danforth Avenue

(City Council on July 24, 25 and 26, 2001, adopted this Clause, without amendment.)

The Community Services Committee recommends:

- (1) the adoption of the following report (June 14, 2001) from the Commissioner of Community and Neighbourhood Services;**
- (2) that the Acting Commissioner of Community and Neighbourhood Services be requested to undertake public consultation as soon as possible after Council's consideration of the proposed shelter at 2714 Danforth Avenue;**
- (3) that a community liaison committee be established and that the deputations who appeared before the Community Services Committee be invited to participate; and**
- (4) Dixon Hall be requested to consider allocating space in its shelter for Convention refugee claimants:**

Purpose:

This report is to provide information with respect to the proposal by Dixon Hall to purchase and renovate a new 70-bed emergency shelter for men and women and couples at 2714 Danforth Avenue, and seek approval to enter into a financial agreement with Dixon Hall to support the shelter.

Financial Implications and Impact Statement:

Capital funding for this project exists within the Supportive Communities Partnership Initiative (SCPI) Emergency Shelter Envelope. \$1.1million has been earmarked for this project.

The ongoing operational impact of this shelter is included in the Hostel Services Purchased Services Operating Budget commencing 2001. An allocation of \$100,000.00 will also be provided from hostel start-up funds in the 2001 Operating Budget.

Recommendations:

It is recommended that:

- (1) staff be directed to work with Dixon Hall on the development of a shelter for 70 men, women and couples at 2714 Danforth Avenue;
- (2) Council approve SCPI funding for emergency shelter capital in the amount of \$1.1million to Dixon Hall towards the acquisition and capital costs associated with the development of a shelter for 70 men, women and couples at 2714 Danforth Avenue;
- (3) the Commissioner of Community and Neighbourhood Services be delegated authority to enter into a SCPI contribution agreement with Dixon Hall, for the development and provision of an emergency shelter and to enter into any other agreements deemed necessary by the Commissioner and the City Solicitor; such agreements are to set out the terms and conditions which secure the long-term objectives of the SCPI program and to be in a form acceptable to the City Solicitor and to advance funds according to the agreement; and further that funding for such agreements are deemed to be in the interests of the municipality;
- (4) recommended funding be conditional, subject to the project receiving and securing the following:
 - (i) all required planning approvals;
 - (ii) evidence of operating and capital funding commitments;
 - (iii) evidence of mortgage and financing commitment;
 - (iv) final construction budget approval by City staff;
 - (v) final operating budget approved by City staff;
 - (vi) or any conditions deemed reasonable and necessary by the Commissioner of Community and Neighbourhood Services;
- (5) the Commissioner of Community and Neighbourhood Services be delegated authority to terminate the agreements, and any funding thereunder, at any time prior to the commencement of construction should increases in costs prevent the achievement of a cost-effective project or if any terms and conditions of agreements have not been met; and
- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

In September 1999, Hostel Services outlined a development plan to add 675 new permanent shelter beds to the single and youth shelter system. The 70 beds at 2714 Danforth Avenue will help to meet the 675 new bed target.

Dixon Hall has been a long time partner in the shelter system. Their ability to manage and operate a shelter is well demonstrated in the management of a City of Toronto funded shelter at 60 Richmond Street, which operates out of a City-owned site. City staff have been in discussion with Dixon Hall staff over a proposed shelter on Danforth Avenue since December 2000.

Comments:

This site is away from the downtown core with easy access to TTC and a good network of social service agencies. It is in a mixed commercial/residential area and zoning permits hostel use. A preliminary zoning review was conducted and as of right zoning has been confirmed by the Buildings Department.

The building does not require extensive modifications. There is a completely outfitted kitchen with industrial appliances. It offers good sight lines important to a shelter. It is of sufficient size to support a shelter with programs and be financially feasible.

The local councillor is supportive of the project and has been involved in negotiating the number of beds at 70. Councillor Michael Prue will play a key role in the Community Notification process.

Capital funding is available through the SCPI Emergency Shelter Envelope. Hostel Services has agreed to provide \$100,000.00 from Hostel start-up funds to be used as a deposit to secure the site and allow Dixon Hall and Hostel staff to continue with the development plans on the site and engage in Community Notification. This will also allow the time necessary to complete agreements with the City.

Use of Property:

The vacant building will be converted to a shelter to accommodate 70 residents, men women and couples. It will be set up dormitory style with four private rooms for couples or vulnerable clients. The shelter will operate twenty-four hours, seven days a week, with full services available to residents.

Services will include assistance with housing searches, housing preparation and transition to permanent housing, money management assistance, help with obtaining social assistance, health care and public transit. East York/East Toronto Family Services and Senior Link/Neighbourhood Link have expressed interest in providing storefront operations on the site. The agencies offer employment counselling and referrals, housing referrals, prenatal classes, community dinners, youth programs, case management, and skill development.

Community Notification:

The opening of new shelters is subject to a Community Notification process as detailed in Clause No. 1 of Report No. 1 of The Community Services Committee, adopted by Council on July 6, 7, and 8, 1999. The details of the notification process are set out in that report.

As per Council's protocol, Dixon Hall and City staff have been working with Councillor Michael Prue and will engage in a formal Community Notification process following approval by Council. The site was originally presented to the Advisory Committee on New Emergency Shelter Sites on February 5, 2001, and given approval on June 19, 2001.

Dixon Hall has also agreed to provide a separately ventilated smoking room, and to renovate the facade to blend with the neighbourhood. They also agreed to review operational issues to prevent loitering and engage in a Community Notification process guided by the local councillor. Staff have reviewed the demographic need of shelters for women and families and consulted with the Urban Development Services Department regarding development in the area and have also mapped out other social housing services within a 1 km. radius of the site.

Financing:

City Staff have reviewed Dixon Hall's plans and budget. \$1.1million has been set aside in the SCPI Emergency Shelter Envelope towards the development of this shelter. Hostel Services is committed to providing an operating per diem of \$50.50, as well as \$100,000.00 from Hostel start-up funds to be used as a deposit on the site. Operating funds have been included in the Hostel Services Purchased Services operating budget as of 2001. Dixon Hall is negotiating with the Royal Bank for mortgage financing for \$635,000.00. Hostel staff has requested a commitment letter from the Royal Bank including terms and conditions.

Property Address: 2714 Danforth Avenue

Registered Owner: Pearl Godfrey

Legal description: PT LT2 CON2

Area: gross floor area approximately 12,595 square feet

Zoning: The property is designated MCR T3.0 C2.0 R2.5 by Zoning By-law No. 438-86, as amended and permits both a hostel and a crisis care facility.

Occupancy: The building was a former night club. Currently, it is vacant.

Appraised Value: \$720,000.00

Acquisition Cost:	Acquisition cost	\$700,000.00
	Real estate fee	35,000.00
	Land transfer tax	11,175.00
	GST	<u>51,450.00</u>
	Total	\$797,625.00
	GST rebate	<u>25,725.00</u>
	Net Total	<u>\$771,900.00</u>

Total Project Cost: Includes acquisition, renovation and associated costs: \$1,807,215.00

Payments: The City of Toronto has agreed to provide \$100,000.00 to be used as a down payment. Dixon Hall is negotiating with the Royal Bank for mortgage financing for \$635,000.00 (purchased price minus City contribution).

Closing date: June 29, 2001

Environmental Condition: A Phase 1 environmental study was prepared by Peto MacCallum Ltd. and revealed the presence of friable asbestos that needs to be removed or encapsulated. This cost is estimated at approximately \$2,000.00 and is included in Dixon Hall's budget.

Conclusion:

Dixon Hall has found a site suitable for a 70-bed shelter at 2714 Danforth Avenue. The building is in a good location to services as well as out of the downtown core. The shelter will contribute to the City's target of 675-bed shelter expansion. Hostel staff have been in discussions with Dixon Hall with respect to this property since December 2000. The local Councillor is supportive of this shelter and has been involved with negotiating the number of beds at 70. Sufficient funds have been earmarked in the SCPI Emergency Shelter Envelope and operating funds are included in the Hostel Services Purchased Service Operating Budget 2001.

Contact:

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The following persons appeared before the Community Services Committee in connection with the foregoing matter:

- Mr. Yubun Chiu;
- Mr. Hiro Hattoi;
- Mr. John Fox, McMillan Binch;
- Ms. Marleane Davidson;
- Ms. Janet Sherbanowski, and submitted a list of social housing, care facilities and crises facilities near the proposed shelter at 2714 Danforth Avenue, together with a map in regard thereto;
- Ms. Nadine Stoikoff;
- Ms. Wendy Arnett;
- Mr. Kirk Thomas, and submitted a proposed motion requesting that the matter be deferred until the September 11, 2001, meeting of the Committee, or until such time as Dixon Hall presents a specific and detailed operating plan for public review, together with a copy of a petition signed by approximately 76 persons in opposition to the proposed redevelopment of 2714 Danforth Avenue as a homeless persons shelter, and a copy of a survey, entitled "Your Opinion Counts" conducted by the Danforth area businesses, which was signed by approximately 732 persons in opposition to a shelter at that location and by approximately 210 in support of the shelter;
- Ms. Yvette Piiparinen; and
- Mr. Bruce McDougall, Executive Director, Dixon Hall Neighbourhood Centre.

(City Council on July 24, 25 and 26, 2001, had before it, during consideration of the foregoing Clause, the following communications:

- (a) (July 17, 2001) from Ms. Kim M. Kovar, Aird and Berlis, Barristers and Solicitors, forwarding comments, on behalf of a group of owners and operators of retail stores located on the Danforth Avenue;*
- (b) (July 23, 2001) from Ms. Melissa McPherson-Brown, requesting Council to reconsider the model used to address the issue of homelessness in the City of Toronto;*
- (c) (July 22, 2001) from Ms. Nadine Stoikoff, The Main Danforth Dawes Action Committee, forwarding material respecting the proposed shelter at 2714 Danforth Avenue; and*
- (d) (July 22, 2001) fax transmittal of a petition signed by approximately 285 residents of the Main-Dawes-Danforth area, expressing opposition to the proposed 70-bed homeless shelter to be located at 2714 Danforth Avenue.)*