



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

**Transfer of 11 Randolph Avenue Social Housing
Community Owned by Canrise Non-Profit Housing Inc.
to Toronto Community Housing Corporation**

Date:	December 17, 2008
To:	Community Development and Recreation Committee
From:	General Manager, Shelter, Support and Housing Administration
Wards:	18 – Davenport
Reason for Confidential Information:	This report deals with personal matters about identifiable persons.
Reference Number:	

SUMMARY

The purpose of this report is to seek Council consent for the transfer of the social housing community located at 11 Randolph Avenue, owned by Canrise Non-Profit Housing Inc. (Canrise) to Toronto Community Housing Corporation (TCHC). Council consent for a transfer is required under the terms of a Social Housing Agreement registered on the title for the social housing community.

RECOMMENDATIONS

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

1. Council consent to the transfer of 11 Randolph Avenue by Mintz and Partners as receiver and manager of the assets of Canrise Non-Profit Housing Inc. to Toronto Community Housing Corporation; and
2. the City Clerk provide a certificate, in registrable form, to Mintz & Partners pursuant to subsection 453.1(9) of the *City of Toronto Act, 2006*; and

3. Confidential Attachment 1 to the report from the General Manager, Shelter, Support and Housing Administration, remain confidential in its entirety in accordance with the provisions of the City of Toronto Act, 2006, as it deals with personal matters about identifiable persons.

Financial Impact

Implementation of the recommendations will have no financial impact on the City. The actual amount of subsidy provided to Canrise by the City will be transferred from Canrise to the TCHC budget allocation.

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

DECISION HISTORY

This is the first report to Council on this subject.

ISSUE BACKGROUND

Canrise has been operating since 1994, providing mixed income non-profit housing at 11 Randolph Avenue, near the intersection of Lansdowne Avenue and Bloor Street West. Canrise was constructed under the former provincial housing program.

The building consists of 95 apartment units for families. Tenants of approximately 70 units pay rent-geared-to-income (RGI), while the remainder pay a market rent. The City pays Canrise an annual subsidy of \$802,160 in accordance with the provisions of the *Social Housing Reform Act, 2000* (SHRA).

In February 2007, the General Manager of Shelter, Support and Housing Administration exercised the City's right under the SHRA to replace the management by a receiver and manager. Mintz and Partners, assumed the management of the housing community and related assets.

A Social Housing Agreement, dated October 7, 1993, was registered as Instrument No. C 861131 on October 21, 1993, among Don Valley Storage Inc., Perth Place Properties Limited, Canrise Non-Profit Housing Inc. and the Corporation of the City of Toronto. The City registered a "Notice of Restriction" in 1993, pursuant to the former provisions of the City of Toronto Act, 1988 (No. 2). These provisions have been continued under the new City of Toronto Act, 2006. These require Council consent to transfer the property to another entity. The relevant provisions of the Social Housing Agreement state that:

- the City's consent is required for a sale or agreement of purchase and sale;
- without such consent any agreement or conveyance does not convey or create any interest; and
- the City's consent is to be evidenced by a City Clerk's certificate, which may be registered on title.

Consent of City Council is needed in order to ensure a binding agreement of purchase and sale between Mintz and TCHC, to ensure valid title is conveyed to TCHC and to satisfy the current lender.

COMMENTS

In February 2007, the Shelter, Support and Housing Administration sought and received Court approval to replace the Board with a receiver and manager for a one year term.

In February 2008, the Division sought a one year extension to the receivership, but the Court gave a 120 day extension. The Court assumed that 120 days was sufficient to find a new owner for the project.

In June 2008, with greater understanding of the complexity of the transfer process, the Court approved another extension to the receivership, which expires in February 2009. Unless the project is transferred to another housing provider before February 2009, the City will have to ask the Court for a further extension of the receivership. Such an extension is not automatically guaranteed.

TCHC owns the adjacent housing project located at 136-152 Perth Avenue. This housing project is comprised of 68 units, and offers 1, 2, and 3 bedroom facilities. The Canrise housing project and the TCHC Perth Avenue housing project were constructed at the same time: both opened in the spring of 1995.

The Canrise housing community and the TCHC Perth Avenue housing community share common facilities:

- a. An underground parking garage that residents of both buildings have access to;
- b. A parking ramp;
- c. Walkways and driveways;
- d. Common easements for walkways and driveways that provide pedestrians and vehicles ingress and egress to the Randolph Avenue and Perth Avenue properties;
- e. Electrical transformer and distribution vaults;
- f. Snow melting facilities;
- g. Foundation and demising walls;
- h. Mutual structural supports for both buildings; and
- i. Mutual easements to facilitate the operation and maintenance of various facilities and services for both housing projects.

Given the experience of TCHC in the non-profit housing sector and the economies of scale that would come into play as a result of one non-profit organization owning these two neighbouring housing projects that share common facilities, the transfer of responsibility over the housing community from the receiver to TCHC would be financially prudent and cost effective.

For these reasons, TCHC was identified as a prospective purchaser of the Randolph Avenue housing project, and a decision was made to enter into negotiations with TCHC with respect to the sale of the project.

Council consent for a transfer of ownership is required under the terms of a Social Housing Agreement registered on the title for the housing community. The General Manager of Shelter, Support and Housing Administration, therefore, recommends that Council consent to the transfer of 11 Randolph Avenue by Mintz and Partners as receiver and manager of the assets of Canrise Non-Profit Housing Inc. to Toronto Community Housing Corporation. In order to complete the transfer, the City Clerk must provide a certificate, in registerable form, to Mintz & Partners pursuant to subsection 453.1(9) of the *City of Toronto Act, 2006*.

TCHC is in agreement with the contents of this report and its recommendations.

The local Councillor has been consulted about the transfer and is supportive.

CONTACT

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SIGNATURE

Phil Brown
General Manager
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ATTACHMENTS

Attachment 1 – Confidential Information