SUMMARY

At its meeting on July 8, 9, 10 and 11, 2014, City Council deferred consideration of the final zoning by-law amendment report for 10, 11, 25, and 30 Ordnance Street and 45 Strachan Avenue, collectively known as the “Ordnance Triangle”, to the August 26 and 27, 2014, Council meeting. The final zoning by-law amendment report recommended approval of the Zoning By-law Amendment application to construct two mixed-use buildings with towers at heights of 39, 34, and 24 storeys, comprising 1012 residential units and 10,810 square metres of non-residential floor space at 11 and 25 Ordnance Street and 45 Strachan Avenue. It also recommended the approval of amendments to Official Plan Amendment 125 and to Zoning By-law 159-2012 to modify existing permissions for two residential buildings at 30 Ordnance Street (10 115786 STE 19 OZ).

The report also recommended that Council direct the Director of the Affordable Housing Office, in consultation with the Chief Planner and Executive Director, City Planning Division, to report to the August 12, 2014, Toronto and East York Community Council regarding the provision of affordable housing in the Ordnance Triangle.

Build Toronto, the Affordable Housing Office, Habitat for Humanity GTA and the developers, Diamond Corp, working in consultation with the Ward Councillor, have developed an affordable housing plan for the proposed development of these properties.

Under the plan, the developers will deliver 25 affordable ownership homes in Phase 2 of the development to Habitat for Humanity at an agreed-upon purchase price. The affordable housing plan has been approved by Build Toronto’s Board of Directors.
The housing plan for the Ordnance Triangle is consistent with Build Toronto's 2010 Memorandum of Understanding (MOU) with the City regarding the development of affordable housing on Build Toronto sites. In early 2015, staff will report to the Affordable Housing Committee on Build Toronto's two to three year affordable housing action plan, currently being developed with the Affordable Housing Office. This plan will identify sites, funding sources and financial strategies to deliver affordable housing. The funding and incentive details for the 25 Habitat homes in the Ordnance Triangle will be part of this report.

RECOMMENDATIONS

The Director of the Affordable Housing Office and the Director of Community Planning, Toronto and East York District recommend that:

1. City Council receive this report for information.

Financial Impact

There are no immediate financial impacts associated with this report. Funding and incentive details for these 25 Habitat for Humanity homes will be included in a staff report in early 2015 regarding Build Toronto's two to three year affordable housing action plan.

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

DECISION HISTORY

At its meeting on November 29, 30 and December 1, 2011, City Council adopted GM9.10, Transfer of Properties to Build Toronto and Declaration of Surplus - Fourth Quarter 2011, which recommended that eleven properties be declared surplus for the purposes of transfer to Build Toronto including 10, 11, and 25 Ordnance Street and 45 Strachan Avenue. The Council decision can be found here: http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.GM9.10

At its meeting on July 8, 9, 10 and 11, 2014, City Council deferred consideration of Items PG34.3 and PG34.3a from the Planning and Growth Management Committee, to the City Council meeting on August 26 and 27, 2014. The Staff reports recommended approval of the Zoning By-law Amendment application to construct two mixed-use buildings with towers at heights of 39, 34, and 24 storeys, comprising 1012 residential units and 10,810 square metres of non-residential floor space at 11 and 25 Ordnance Street and 45 Strachan Avenue and approval of amendments to Official Plan Amendment 125 and to Zoning By-law 159-2012 to modify existing permissions for two residential buildings at 30 Ordnance Street (10 115786 STE 19 OZ). The Council decision can be found here: http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.PG34.3

At its meeting on July 8, 9, 10 and 11, 2014, City Council also adopted GM31.6 Build Toronto Progress. This item addresses various matters related to the progress that Build
Toronto has achieved, including the delivery of affordable housing on its properties. 10, 11, and 25, Ordnance Street and 45 Strachan Avenue were among the properties listed as having potential for affordable housing development. The Council decision can be found here: http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.GM31.6

ISSUE BACKGROUND
The properties at 10, 11, and 25, Ordnance Street and 45 Strachan Avenue were transferred to Build Toronto in 2011. Build Toronto has since entered into a joint venture partnership to develop the properties at 11, and 25, Ordnance Street and 45 Strachan Avenue with Diamond Corp. The lands at 10 Ordnance Street will be conveyed back to the City, from Build Toronto, as park land. These properties are collectively known as the “Ordnance Triangle”.

In 2010, Build Toronto entered into a Memorandum of Understanding (MOU) with the Deputy City Manager regarding the development of affordable housing on surplus City sites provided to Build Toronto. The MOU sets targets for affordable ownership and rental homes over five years. Build Toronto, in consultation with the Affordable Housing Office, is developing a two to three year action plan to identify key sites, funding sources and financial strategies to deliver affordable housing in Build Toronto's portfolio. Build Toronto's affordable housing action plan will be the subject of a Staff Report to Council in early 2015 which will also provide more details of the Ordnance Triangle housing plan.

In the interests of delivering affordable housing on the development sites, Build Toronto worked with the Affordable Housing Office, Habitat for Humanity GTA, Diamond Corp, in consultation with the Ward Councillor, to create an affordable ownership housing plan which will result in Habitat for Humanity GTA delivering 25 affordable ownership homes within the Ordnance Triangle redevelopment. The plan has been approved by Build Toronto's Board of Directors.

City Council deferred consideration of the final zoning by-law amendment report at its meeting in July 8, 9, 10 and 11, 2014 (Items PG34.3 and PG34.3a) to the City Council meeting in August 26 and 27, 2014. The final zoning by-law amendment report recommended Council direct the Director of the Affordable Housing Office in consultation with the Chief Planner and Executive Director, City Planning Division, to report to the August 12, 2014, Toronto and East York Community Council regarding the provision of affordable housing in the Ordnance Triangle.

The affordable housing to be constructed at the Ordnance Triangle in Phase 2 of the development is being provided in addition to the community benefits detailed by the final zoning by-law amendment report and secured through Section 37 of the Planning Act.

IMPLEMENTATION
The City has been working in partnership with Habitat for Humanity for more than a decade to deliver affordable housing under federal – provincial down payment assistance
programs, the City's Home Ownership Assistance Program (HOAP), and affordable housing benefits secured through Section 37 of the Planning Act.

The 25 affordable ownership units to be provided will be interspersed within the proposed new buildings at the Ordnance Triangle, with affordable units being provided in Phase 2 of the proposed development. The affordable ownership units will be selected by the developer and Habitat for Humanity GTA prior to the sales and marketing process for Phase 2 of the development, with a focus on family-sized homes.

The staff report to the Affordable Housing Committee in early 2015 on Build Toronto's two to three year affordable housing action plan will detail funding and incentives for these 25 Habitat homes. Under existing affordable home ownership programs, any proposed funding and incentives will be secured by a mortgage held by the City on the homes. This ensures that public assistance is paid back at the time the home is resold. Habitat will administer the mortgages under an agreement between Habitat, Build Toronto, and the City. Further security for this affordable housing initiative will be provided for under the terms of Build Toronto's agreement of purchase and sale for the lands.

CONCLUSIONS
Habitat for Humanity has a strong track record in providing affordable ownership housing. The provision of 25 affordable ownership units within a high density residential development represents an emerging partnership approach for Habitat for Humanity with the housing charity working with condominium developers and Build Toronto to complement the group's developments on lower-density sites. The provision of 25 new affordable ownership units within the Ordnance Triangle is a positive addition to the City-building merits of the Ordnance Triangle redevelopment.

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