



## STAFF REPORT ACTION REQUIRED

### Leslie Nymark Revitalization – Corporate Actions

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| <b>Date:</b>             | February 18, 2016  |
| <b>To:</b>               | Community Development and Recreation Committee               |
| <b>From:</b>             | General Manager, Shelter, Support and Housing Administration |
| <b>Wards:</b>            | Ward 33- Don Valley East                                     |
| <b>Reference Number:</b> |  |

#### SUMMARY

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The Leslie Nymark Revitalization Plan includes the replacement of 121 existing Toronto Community Housing Corporation (TCHC) social housing units. The Plan proposes to demolish and replace 121 existing rent-geared-to-income (RGI) units, 115 on-site at Leslie Nymark and 6 off-site at Allenbury Gardens and create up to 540 new market units.

This report recommends the necessary City Council approvals required for the revitalization of Leslie Nymark as the sole shareholder of TCHC and as the Social Housing Service Manager.

At its meeting of February 23, 2016, North York Community Council will consider applications by Toronto Community Housing to amend the Official Plan and Zoning By-law and for rental housing demolition (NY 12.35 Final Report - Official Plan and Zoning Amendment Applications and Rental Housing Demolition Application and Plan of Subdivision Application, 1-35, 45-69, 6-66 Adra Villaway and 1-25, 2-24, 30-44, 37-53 Grado Villaway and 1-29, 2-28 Tomar Villaway). Should this Report be approved it will be considered by City Council on March 10, 2016.

#### RECOMMENDATIONS

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

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, the revitalization of TCHC's Leslie Nymark community as requested in the communication from TCHC's President and Chief Executive Officer (Interim) dated November 18, 2015;
- b. approve, pursuant to Section 7.4.1 (b) of the City's Shareholder Direction to TCHC, the sale or lease of land as set out in the communication from TCHC's President and Chief Executive Officer (Interim) dated November 18, 2015;
- c. approve, pursuant to Section 7.4.1 (c) of the City's Shareholder Direction to TCHC, any temporary reduction in the number of RGI units during the revitalization of Leslie Nymark;

on condition that:

- d. consistent with the service level standards, a minimum of 121 units of rent-geared-to-income (RGI) housing is to be made available, 115 in Leslie Nymark upon completion of the revitalization project and 6 off-site at rental replacement TCHC Allenbury Gardens; and
  - e. TCHC report annually, through TCHC's *Annual Report* to Council, on the status of the revitalization of Leslie Nymark 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 General Manager, Shelter, Support and Housing Administration, to grant any necessary Service Manager consents pursuant to the *Housing Services Act, 2011* to:
- a. the revitalization of Leslie Nymark;
  - b. all mortgages to be granted by TCHC for the purposes of financing the revitalization of Leslie Nymark, including future amendments and extensions thereof, in a form approved by the Minister, and to cause such consents to be registered by the City Solicitor under the *Registry Act* or the *Land Titles Act*; and
  - c. all future mortgages and developments by third parties of all real property disposed of by TCHC for the purposes of financing the revitalization of Leslie Nymark and not used for social or public housing, in a form approved by the Minister, and to cause such consents to be registered by the City Solicitor under the *Registry Act* or the *Land Titles Act*;

subject to:

- d. TCHC and/or the prospective purchasers and lessees of Leslie Nymark obtaining the various necessary planning approvals and legislative, municipal and corporate consents (including consent of mortgagors, if necessary);
  - e. approval from the Ministry of Municipal Affairs and Housing (MMAH) and/or Canada Mortgage and Housing Corporation (CMHC) if necessary; and
  - f. TCHC providing a Tenant Relocation and Assistance Implementation Plan (TRAIP), to the satisfaction of the General Manager, Shelter, Support and Housing Administration, that describes TCHC's obligations regarding tenant relocation of Leslie Nymark 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*; and
3. City Council, in its capacity as Service Manager under the *Housing Services Act, 2011* authorise the General Manager, Shelter, Support and Housing Administration, to request the Ministry of Municipal Affairs and Housing to grant any necessary Ministerial consents pursuant to the *Housing Services Act, 2011* to:
- a. all transfers, leases and other dispositions of real property by TCHC for the purposes of the revitalization of Leslie Nymark;
  - b. all future transfers, leases and other dispositions by third parties of all real property disposed of by TCHC for the purposes of the revitalization of Leslie Nymark and not used for social or public housing; and
  - c. to cause such consents to be registered by the City Solicitor under the *Registry Act* or the *Land Titles Act*.

## **Financial Impact**

There are no direct financial impacts on the City arising from the adoption of this report. TCHC will be responsible for the total cost of replacing and refurbishing the 121 social housing units and related infrastructure costs as part of the Revitalization Plan.

City Planning staff will report to City Council on any arising financial impacts upon finalization of the Zoning By-law Amendment and Plan of Subdivision applications.

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

## Equity Impact

The revitalization of Leslie Nymark will enhance the quality of housing for low income households in Leslie Nymark through new and refurbished homes and new local amenities. The revitalization of Leslie Nymark meets the City of Toronto's priorities and TCHC's objectives for building healthy, liveable communities.

## DECISION HISTORY

Council's ten year affordable housing plan, *Housing Opportunities Toronto*, was approved by City Council at its meeting of August 5 and 6, 2009. The report identifies a key City action to "support the efforts of Toronto Community Housing to implement its Real Estate Asset Investment Strategy" and "support and participate in the revitalization of 13 social housing communities."

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-08-05-cc38-dd.htm>

In a letter dated November 18, 2015 and included in attachment 1 of this report, TCHC requested the City to consent to the revitalization of Leslie Nymark pursuant to the City's responsibilities as sole shareholder of TCHC and Service Manager under the *Housing Services Act, 2011*(HSA). This report addresses TCHC's request for such consents.

TCHC's application for the necessary approvals under the *Planning Act* to amend the Official Plan and Zoning By-law, Rental Housing Demolition and Plan of Subdivision is the subject of a separate report, which will be considered by the North York Community Council on February 23, 2016 and by City Council on March 10, 2016.

## ISSUE BACKGROUND

Toronto Community Housing Corporation (TCHC) wishes to undertake a revitalization of the Leslie Nymark community over the next 5 to 7 years. TCHC intends to achieve the revitalization, in part, through the sale or lease of land. The TCHC plan involves replacing the existing 121 social housing units, 115 in Leslie Nymark and 6 in Allenbury Gardens, and including up to 540 market units.

## COMMENTS

The proposed revitalization of Leslie Nymark is part of TCHC's real estate investment strategy for maintaining its stock of housing in a state of good repair. Consistent with *Housing Opportunities Toronto*, Council's ten year plan for affordable housing, Council is committed to supporting the efforts of TCHC to implement its real estate investment strategy.

In October 2012, Council adopted *Putting People First, Transforming Toronto Community Housing* that made several recommendations concerning leveraging land assets through infill and revitalization. Revitalization initiatives provide an important city building opportunity by improving the quality of life of TCH 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 TCHC 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, TCHC eliminates the current capital repair backlog and can direct the savings to other TCHC communities.

The revitalization plan requires amendments to the Official Plan and Zoning By-Law. In addition, in order for the revitalization to proceed, Council must approve the revitalization in its roles as sole Shareholder of TCHC and as Social Housing Service Manager under the HSA.

### **Sole Shareholder**

Council's shareholder relationship with TCHC is set out in the Shareholder Direction. Under Section 7.4.1, Shareholder approval is required to permit TCHC to sell "real property assets used for the purposes of providing rent-g geared-to-income and market housing, or which are zoned or deemed suitable for housing purposes..." Shareholder approval is also required under Section 7.4.1(c) before TCHC can proceed with revitalization projects or changes to the number of RGI units.

This report recommends that Council grant the necessary Shareholder consents subject to TCHC maintaining the same number of RGI housing units as currently exist in Leslie Nymark, and investing the net proceeds from the sale or lease of land in Leslie Nymark in the revitalization project as the first priority. It is also recommended that TCHC update Council on the status of the revitalization project as part of its annual report to Council.

### **Service Manager**

As a designated Service Manager for social housing under the HSA, the City is also responsible for ensuring TCHC's compliance with the requirements of the legislation and its regulations. The HSA requires the Service Manager to consent to the revitalization of social housing projects. In order to proceed with the sale of any lands, TCHC will also require the consent of the Ministry of Municipal Affairs and Housing (MMAH). Lands that are currently social and public housing remain subject to the requirements to obtain consents from the MMAH and the Service Manager, as appropriate, to encumbering, developing and transferring such land unless consent to such future transactions is registered against title. Ministerial guidelines require the City, as Service Manager, to submit a business case and to seek consent from the Minister on behalf of TCHC.

This report recommends that the General Manager, Shelter, Support and Housing Administration be authorised to grant any Service Manager consents to the revitalization of Leslie Nymark pursuant to the provisions of the HSA.

This report was prepared in consultation with the City Manager's Office and Legal Services.

## **CONTACT**

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## **SIGNATURE**

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Phillip Abrahams  
General Manager  
Shelter, Support and Housing Administration

## **ATTACHMENT**

Attachment 1- Letter from TCHC, dated November 18, 2015