



## STAFF REPORT INFORMATION ONLY

### Supplementary Report - Feasibility of Purchasing Goodwill Sites for Emergency Shelter Services

<b>Date:</b>	July 11, 2016
<b>To:</b>	City Council
<b>From:</b>	Deputy City Manager, Cluster A
<b>Wards:</b>	Wards 5, 21, 26, 27, 28, 35, 37
<b>Reference Number:</b>	

#### SUMMARY

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This report supplements CD13.16 and responds to a request from Community Development and Recreation Committee for a report direct to the July 12, 2016 Council on the feasibility of purchasing former Goodwill properties in Toronto for use as emergency shelter services.

Staff from Shelter, Support and Housing Administration (SSHA) have been working closely with the Real Estate Services Division since early 2015 to search all areas of the city for feasible locations for new shelters that will be City-operated. City staff have explored using the former Goodwill sites located throughout the City as potential locations for new emergency shelters. The former Goodwill sites are not owned by Goodwill and are only available for lease. To date only the owner of 731 Runnymede Road has indicated an interest in leasing the site to the City for use as emergency shelter. Additionally, not all of the Goodwill sites are appropriate for shelter use. Staff will continue to work with Real Estate Services to follow-up on properties that meet the City's criteria for a shelter.

#### RECOMMENDATIONS

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The Deputy City Manager recommends that:

1. City Council receive this report for information.

## Financial Impact

There are no financial implications arising from the recommendations in this report.

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

## DECISION HISTORY

At its meeting on June 23, 2016, Community Development and Recreation Committee considered item CD13.16 *"Shelter, Support and Housing Administration's Strategy to Identify New and Replacement Shelter Services in All Parts of Toronto"* which outlines the work being undertaken by SSHA with Real Estate Services to identify new shelter sites. The Committee requested that the Deputy City Manager, Cluster A report directly to City Council on July 12, 2016, on the feasibility of purchasing the following former Goodwill properties in Toronto for shelter purposes: 231 Richmond Street East, 60 Overlea Boulevard, 585 St. Clair Avenue West, 345 Bloor Street East, 4975 Dundas Street West, 350 Progress Avenue, 2462 Eglinton Avenue East, and 871 Islington Avenue.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.CD13.16>

At its meeting on March 31, April 1 and 2, 2015, City Council adopted CD2.2 *"Infrastructure and Service Improvement Plan for the Emergency Shelter System"* which sets out an infrastructure and service improvement plan to guide the transformation of the emergency shelter system and requested staff to identify sites for up to 15 emergency shelters over the next five years.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CD2.2>

At its meeting of December 16, 17, and 18, 2013 City Council unanimously adopted CD25.10, *2014-2019 Housing Stability Service Planning Framework (HSSPF)*. The HSSPF includes strategic directions to maintain a strong emergency shelter system as well as to create housing opportunities for vulnerable households in Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD25.10>

## ISSUE BACKGROUND

In March 2015, City Council adopted SSHA's Infrastructure and Service Improvement Plan for the Emergency Shelter System which outlined the need to identify up to 15 new shelter sites over the next five years as part of the George Street Revitalization (GSR) and to address shelter relocations and the ongoing occupancy pressures. Since then, SSHA has been working closely with the Real Estate Services Division to search all areas of the city for feasible locations for new shelters that will be City-operated. This work has resulted in the acquisition by the City of 3306 Kingston Road in December 2015 and the proposal to lease 731 Runnymede Road for use as shelter, which is currently being considered by City Council.

Since the summer of 2015, over 80 properties have been considered for purchase or lease in Wards across the city based on a set of criteria provided by SSHA including:

- Approximately 25,000 square feet
- Must adhere to the Municipal Shelter By-law
  - on a major or minor arterial road
  - at least 250 meters away from another municipally funded shelter
  - any new buildings need to conform with other secondary zoning requirements
- Built form must be suitable for transformation into shelter space for up to 125 people as per guidelines in Toronto Shelter Standards
- Must meet accessibility requirements upon purchase or lease or be suitable to meet accessibility requirements within renovation budget available
- Must provide space for the installation of a commercial kitchen, dining area and programming areas for clients and staff
- Must be accessible to transit services
- Ideally located near or accessible via transit to services to support people experiencing homelessness including income support programs, drop-in programs, housing help programs and community health services including mental health, harm reduction and / or substance use supports.

When properties are identified, staff proceed to complete their due diligence to confirm if the site is feasible for use as a shelter.

## **COMMENTS**

Goodwill Toronto closed its doors in January 2016. They operated Thrift Stores and donation centres out of several locations across the City.

In February 2016, staff engaged with the Receivership for Goodwill and expressed an interest in the sites located at: 231 Richmond Street East, 345 Bloor Street East, 585 St. Clair Avenue West, 60 Overlea Boulevard, 350 Progress Avenue, 4975 Dundas Street West, 871 Islington Avenue, 2462 Eglinton Avenue East and 731 Runnymede Avenue.

Staff were informed that these locations were not owned by Goodwill and were only available for lease. The City's interest in leasing space in the respective properties was conveyed to the respective owners and their representatives. The owners were also made aware of the desired use of the sites as emergency shelter. To date, only the owner at 731 Runnymede Avenue has indicated an interest in leasing their site to the City for this purpose.

Furthermore, not all the former Goodwill sites are appropriate for use as a shelter due to their size, and some of the sites are no longer available or the owners are not interested in the property being used as a shelter. The table below identifies each of the Goodwill sites in Toronto and the status of each site.

**Table 1:** Goodwill Sites

<b>Goodwill Property</b>	<b>Comments</b>
231 Richmond Street East	<ul style="list-style-type: none"><li>▪ Is not appropriate for use as a shelter as it is under 3,000 square feet.</li></ul>
60 Overlea Boulevard	<ul style="list-style-type: none"><li>▪ This site is no longer available. The agent for the property has advised that it has been re-leased. It is 17,000 square feet, located in a retail centre</li></ul>
585 St. Clair Avenue West	<ul style="list-style-type: none"><li>▪ Owner is not interested in renting the space for a shelter.</li></ul>
345 Bloor Street East	<ul style="list-style-type: none"><li>▪ Is not appropriate for use as a shelter as it is under 2,000 square feet. It is part of a large office/retail complex.</li></ul>
4975 Dundas Street West	<ul style="list-style-type: none"><li>▪ Owner is not interested in leasing the space for a shelter and is currently working on leasing the space to another party.</li></ul>
350 Progress Avenue	<ul style="list-style-type: none"><li>▪ Staff are continuing to investigate this site. It is a 71,000 square foot industrial site. It is still on the market for lease at a reasonable rate, however initial analysis indicates that it might be too large of a site.</li></ul>
2462 Eglinton Avenue East	<ul style="list-style-type: none"><li>▪ This site is no longer available and has been leased.</li></ul>
871 Islington Avenue	<ul style="list-style-type: none"><li>▪ This site is no longer available. The site was re-leased in March 2016. It is a stand-alone building with 20,000 square feet.</li></ul>

SSHA and Real Estate Services continue to work together to identify potential sites for emergency shelter services aligned with the directions in the Shelter Infrastructure and Service Improvement Plan. Unfortunately, many of the former Goodwill sites are not compatible or available for use as shelter. As other sites become available, staff will complete the necessary due diligence to determine the feasibility of using them as shelter.

## **CONTACT**

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## **SIGNATURE**

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