

EX16.27a



Decision Letter

Affordable Housing Committee

Meeting No.	5	Contact	Yvonne Davies, Committee Administrator
Meeting Date	Monday, June 20, 2016	Phone	416-396-7287
Start Time	9:30 AM	E-mail	ah@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Ana Bailão

AH5.3	ACTION	Adopted		Ward:20
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Results of the Request for Proposals for Affordable Rental Housing at Queen's Wharf Road in City Place (Block 36 North Railway Lands)

Committee Decision

The Affordable Housing Committee recommends to the Executive Committee that:

1. City Council authorize the Chief Corporate Officer (the "CCO") to negotiate, in consultation with the Director, Affordable Housing Office, the acquisition of the Property with Toronto Community Housing Corporation ("TCHC") for a nominal purchase price, and authorize the City to enter into an agreement of purchase and sale (the "Agreement") substantially on the terms outlined in Appendix "A" to this report and on such other or amended terms and conditions as may be acceptable to the CCO, in consultation with the Director, Affordable Housing Office, and in a form satisfactory to the City Solicitor.
2. City Council authorize severally each of the CCO, and the Director of Real Estate Services to execute the Agreement and any ancillary agreements and documents under the Agreement on behalf of the City.
3. City Council authorize the CCO to administer and manage the purchase of the Property from TCHC, in consultation with the Director, Affordable Housing Office, including the provision of any consents, approvals, waivers and notices, provided that she may, at any time, refer consideration of any such matters (including their content) to City Council for its consideration and direction.
4. City Council authorize the City Solicitor to complete the contemplated purchase transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions, on such terms as the City Solicitor considers reasonable.
5. City Council authorize the CCO to declare the Property as surplus to the City's needs, for the purposes of entering into a 50-year lease with Dominus Capital Corporation, and take all necessary steps to comply with the City's real estate disposal process, as set out in Chapter 213 of the City of Toronto Municipal Code.
6. City Council authorize the City to accept the Offer to Lease from Dominus Capital

Corporation, or a related corporation formed for the purposes of this transaction, for a term of 50 years, for the property municipally known as Block 36 North, substantially on the terms and conditions outlined in Appendix "B", and on such other or amended terms and conditions acceptable to the CCO, or the CCO's designate, and in a form acceptable to the City Solicitor.

7. City Council authorize each of the Chief Corporate Officer and the Director of Real Estate Services severally to accept the Offer to Lease on behalf of the City.

8. City Council authorize the CCO, or the CCO's designate, to administer and manage the lease agreement, including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

9. City Council authorize the Director, Real Estate Services, in consultation with the Director, Affordable Housing Office, to make or provide its consent once it is the owner, to any regulatory applications by Dominus Capital Corporation or a related corporation and to grant a licence or licences to Dominus Capital Corporation for a term or terms of up to forty-two (42) months from the date of the City's acceptance of the Offer to Lease, for the purposes of entering onto the Property to carry out environmental testing and monitoring and other pre-development activities and authorizes severally each of the CCO, and the Director of Real Estate Services to execute the applications, consents and licences.

10. City Council authorize the Director, Real Estate Services, in consultation with the Director, Affordable Housing Office, to grant a licence or licences to provide access for the construction on the Property, at no cost, to Dominus Capital Corporation or a related corporation, over City property at the Mouth of the Creek and North Linear Park on terms and conditions satisfactory to the Director, Real Estate Services, and in a form approved by the City Solicitor.

11. City Council authorize the Director, Affordable Housing Office, to submit a request to the Ministry of Municipal Affairs and Housing for funding through the federal/provincial Investment in Affordable Housing for Ontario Program (Extension 2014-2020) – Rental Component, in the amount of \$7,000,000 to be used by Dominus Capital Corporation for the development of the affordable housing units on the Property.

12. City Council authorize the Director, Affordable Housing Office, to provide capital funding from the Development Charges Reserve Fund for Subsidized Housing (XR1116) in an amount not to exceed \$6,400,000 to fund the expenses relating to the transfer from TCHC, development and construction costs, including infrastructure and environmental remediation.

13. City Council authorize the Director, Affordable Housing Office, to:

a) Negotiate and enter into, on behalf of the City, a municipal housing facility agreement, the City's "Contribution Agreement", with Dominus Capital Corporation or a related corporation, to secure the financial assistance, including the exemption from taxation for municipal and school purposes for a maximum duration of the affordable rental period, being provided and to set out the terms of the development and operation of the new affordable rental housing, on terms and conditions satisfactory to the Director, Affordable Housing Office, in consultation with the Deputy City Manager and Chief Financial Officer, and in a form approved by the City Solicitor; and

b) Execute, on behalf of the City, the municipal housing facility agreement, any security or financing documents or any other documents required to facilitate the funding process,

including any documents required by Dominus Capital Corporation, or its related corporation to complete construction and conventional financing, where required.

14. City Council authorize the City Solicitor to execute, postpone, confirm the status of, and discharge any City security documents registered as required by normal business practices.

15. City Council authorize that the development on the Property be exempt from the payment of development charges and be exempt from the payment of planning and park dedication fees and building permits under existing City policy.

16. City Council authorize the Director, Affordable Housing Office to designate the Property as social housing for the purpose of allowing all or part of the Property relief from normal parking standards.

17. City Council authorize that the appropriate City officials be directed to take the necessary action to give effect thereto.

Origin

(June 6, 2016) Report from the Deputy City Manager Cluster A and the Chief Corporate Officer

Summary

This report recommends Council approve Dominus Capital Corporation as the successful proponent of a Request For Proposals to build and operate 80 affordable rental homes for 50 years on Queen's Wharf Road (Block 36 North) in City Place (Railway Lands) in Ward 20 Trinity-Spadina (the "Property"). These homes will provide quality affordable housing for low-income individuals and families. It also recommends that the City re-acquire the site from Toronto Community Housing for a nominal sum.

This initiative, in partnership with Toronto Community Housing, will be supported by federal/provincial funding of \$7,000,000 and City funding, including contingences, of \$6,400,000, consisting of \$3,000,000 to reduce capital costs and ensure affordability and \$3,400,000 for required site improvements (including soil remediation), physical infrastructure costs, development levies and public art contributions and the provincial portion of the land transfer tax. As well, the City will provide other financial incentives and 15 rent supplements to make the housing more affordable to lower-income households. Dominus will contribute \$15.4 million to this initiative. The site will be leased to Dominus for 50 years for a nominal sum.

Proceeding with this development will activate a site that has remained undeveloped for 20 years and contribute to the City meeting its annual targets for new affordable rental housing in the Housing Opportunities Toronto Action Plan 2010-2020.

Background Information

(June 6, 2016) Joint Report and Appendices A to C from the Deputy City Manager Cluster 'A' and the Chief Corporate Officer - Results of the Request for Proposals for Affordable Rental Housing at Queen's Wharf Road in City Place (Block 36 North Railway Lands)
(<file:///G:/sec/MMIS-Outputs/PROD/mmis/2016/ah/bgrd/backgroundfile-94005.pdf>)

Speakers

Councillor Cressy

