



Providing New Affordable Housing Opportunities at 13-15 and 17-19 Winchester Street

Date: June 5, 2017
To: Executive Committee
From: Director, Affordable Housing Office
Wards: Ward 28 Toronto Centre Rosedale

SUMMARY

This report results from the efforts of the City of Toronto to work with Toronto Community Housing Corporation ("TCHC") to modernize and re-purpose certain housing assets. The deteriorated and mainly vacant rooming houses located at 13-15 and 17-19 Winchester Street have been identified as an opportunity to be modernized to provide 35 single-room occupancy rental apartments for vulnerable low-income women (See photos in the Appendix).

This report recommends the City provide up to \$200,000 from the Capital Revolving Reserve Fund for Affordable Housing to Margaret's Housing and Community Support Services Inc. ("Margaret's") for pre-development activities and due diligence to support the modernization of 13-15 and 17-19 Winchester Street into single-room occupancy rental homes. These activities include, but are not limited to, securing and managing consultants, determining capital cost requirements, obtaining heritage, engineering, and other necessary reports needed to determine the detailed capital cost for the modernization.

Both properties are owned by TCHC and listed in the City's Inventory of Heritage Properties. They have been operated as rooming houses by TCHC, with support services provided to residents by several community agencies.

This report proposes that the Director of the Affordable Housing Office report to the Affordable Housing Committee no later than the end of 2017 on the due diligence to be conducted by Margaret's and the Affordable Housing Office, and on the project status and the operating and capital budgets required to complete modernization. The report will also identify funding sources for the modernization, including potential contributions from the provincial supportive housing program, "Home For Good", the federal/provincial Investment in Affordable Housing Program (2014) Extension and City sources.

RECOMMENDATIONS

The Director, Affordable Housing Office, recommends that:

1. City Council authorize the Director, Affordable Housing Office, to negotiate, enter into and execute on behalf of the City, an agreement and any other documents deemed necessary, with Margaret's Housing and Community Support Services Inc. to fund pre-development and due diligence work in relation to the modernization of two properties at 13-15 and 17-19 Winchester Street, on terms and conditions satisfactory to the Director, Affordable Housing Office, and in a form satisfactory to the City Solicitor.
2. City Council authorize the Director, Affordable Housing Office to pay for the services obtained through Recommendation 1 above from the Capital Revolving Reserve Fund for Affordable Housing (XR1058), to a maximum of \$200,000.00 inclusive of HST and disbursements.
3. City Council direct the Director, Affordable Housing Office to report to the Affordable Housing Committee in the fourth quarter of 2017 on the project status, the operating and capital budgets required to complete modernization and the funding details.

FINANCIAL IMPACT

This report recommends up to \$200,000 in pre-development funding, inclusive of HST and disbursements, from the Capital Revolving Fund for Affordable Housing (XR1058) to support the modernization of 13-15 and 17-19 Winchester Street as affordable housing. The current uncommitted balance of XR1058 is sufficient to support the report's recommendations.

EQUITY IMPACT

Access to safe, secure, affordable housing in all parts of Toronto is a fundamental goal of the City's 10-year Housing Opportunities Toronto Action Plan 2010-2020. The provision of new affordable housing is also a goal of the City's Poverty Reduction Strategy.

The modernization of 13-15 and 17-19 Winchester Street will provide safe affordable housing for low-income marginalized women.

DECISION HISTORY

No applicable decision history.

COMMENTS

This report outlines the efforts of the City to work with TCHC to address, through modernization, the challenges presented by underperforming and/or vacant properties. This work complements the work of the Mayor's Task Force on TCHC and the Tenants First projects.

The proposed modernization of the rooming houses at 13-15 and 17-19 Winchester Street would reduce TCHC's capital repair backlog while repurposing the buildings to provide supportive housing for vulnerable low-income women.

The properties are adjoined semi-detached houses built between 1878 and 1880 and listed in the City's Inventory of Heritage Properties. The buildings are part of the Cabbagetown Northwest Heritage Conservation District. They were acquired by the City in the 1970's and have been operated by TCHC as low-income housing for a mix of residents.

In recognition of the poor state of the buildings and the sub-standard living conditions, TCHC and the City have been working with Margaret's on a plan to undertake a major modernization. As a result, since 2015 TCHC has been relocating existing residents and not accepting new ones. TCHC and Margaret's also are working with the few remaining residents to provide relocation assistance.

The modernization plan being developed by Margaret's contemplates the conversion of the properties into 35 permanent, single-room occupancy rental apartments affordable to residents on Ontario Disability Support Program benefits. To facilitate this initiative TCHC would provide a long-term lease to Margaret's at a nominal rate.

To undertake the modernization Margaret's has retained a qualified and experienced team to design, develop and manage the pre-development and construction phases.

Margaret's is a multi-service agency that provides a continuum of housing and support services to individuals with mental health issues. It provides a drop-in service, an individualized seniors support program, crisis care and transitional and permanent housing.

Moving forward, the Affordable Housing Office will work with TCHC and Margaret's in confirming a viable business plan to proceed, including funding sources for the capital and operating phases.

The Director of the Affordable Housing Office will report no later than the end of 2017 on the potential for funding from the provincial supportive housing program "Homes For Good", the Investment in Affordable Housing Program (2014) Extension, and City funding.

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SIGNATURE

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Appendix 1: Photographs of 13-15 and 17-19 Winchester Street



