

EX36.34

Decision Letter

Affordable Housing Committee

Meeting No.	10	Contact	Dela Ting, Committee Administrator
Meeting Date	Monday, June 25, 2018	Phone	416-396-7287
Start Time	9:30 AM	E-mail	ah@toronto.ca
Location	Committee Room 1, City Hall	Chair	Councillor Ana Bailão

AH10.9	ACTION	Adopted		Ward:28
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Property Tax Relief for New Affordable Rental Homes Created Through the Regent Park Revitalization

Committee Decision

The Affordable Housing Committee recommends to Executive Committee that:

1. City Council exempt new affordable rental homes in the Regent Park revitalization as described in the chart in the Financial Impact section of this report, from taxation for municipal and school purposes for the term of 25 years, which tax exemption is to be effective from the date the tax exemption by-law is enacted.
2. City Council authorize the Director, Affordable Housing Office, to negotiate, enter into, and execute on behalf of the City, municipal housing facility agreements, the City's "Contribution Agreement", with Toronto Community Housing Corporation to secure the financial assistance being provided and to set out the terms of the development and operation of the new affordable rental housing located at 50 Regent Park Boulevard, 180 Sackville Street, 230 Sackville Street, 110 River Street, 150 River Street, 25 Wyatt Avenue and Block 16 North, on terms and conditions satisfactory to the Director, Affordable Housing Office and in a form approved by the City Solicitor.
3. 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 practice.
4. City Council authorize City staff to cancel or refund any taxes paid from the by-law exempting the property from taxation.

Origin

(June 11, 2018) Report from the Director, Affordable Housing Office

Summary

Toronto Community Housing Corporation (TCHC) is undertaking a multi-phase plan to redevelop Regent Park, the country's largest social housing community. TCHC is halfway through the revitalization that will ultimately replace 2,083 Rent-Geared-to-Income (RGI) units and develop approximately 5,417 market units within a 69-acre site.

In January 2004, Council approved a report on the financing plan for Regent Park that recommended property tax exemptions of 15 years for all new RGI homes in the Regent Park Revitalization Plan Area (shown in Attachment 1) effective from when the homes are developed and appropriate agreements signed. The business model for the revitalization was premised on developing market housing alongside social housing to help fund the development, as well as operating and capital maintenance savings, and City contributions including property tax exemptions.

In February 2009, City Council adopted a report granting authority to exempt municipal and school taxes from all units of affordable housing located in Regent Park Phase One Revitalization Plan area for a period of 25 years from the date of first occupancy of the buildings. TCHC has now completed Phases One and Two of the Regent Park revitalization, and Phase Three is well underway.

Consistent with City policy, this report recommends relief from property taxes for a period of 25 years for 1,065 new affordable rental homes (including rental replacement units) created in Phases Two and Three of the Regent Park revitalization project. Of the 1,065 new affordable homes, 267 will be rented at 80% of average market rents and the remaining 798 homes will be deeply affordable RGI homes.

The total property tax exemption recommended, estimated at a net present value of \$17,850,516, will increase the affordability of the homes over 25 years and assist Toronto Community Housing in funding some of the costs associated with building the replacement rental housing.

Background Information

(June 11, 2018) Report and Attachment 1 from the Director, Affordable Housing Office - Property Tax Relief for New Affordable Rental Homes Created Through the Regent Park Revitalization

<http://www.toronto.ca/legdocs/mmis/2018/ah/bgrd/backgroundfile-116429.pdf>

Communications

(June 21, 2018) Letter from Jeff Sharp, Director, Property Accounting, Finance, Toronto Community Housing (AH.New.AH10.9.1)

<http://www.toronto.ca/legdocs/mmis/2018/ah/comm/communicationfile-85081.pdf>