Implementing the Housing Now Initiative

Presentation to the Executive Committee

January 23, 2019

Council Direction

- Housing Now Initiative approved in December 2018
  - Scaling up & accelerating City's affordable housing efforts

- 11 City-owned sites activated

- Mixed-income, mixed-use, transit oriented communities

Guiding Principles

- Public Benefits
- Optimize development: affordable & market rental housing
  - mix of unit types & sizes
- Affordable for a diverse range of incomes
- Existing operations & uses – accommodated
- Public retention of sites (long-term land leases)
- Public consultation (Councillors; local communities)
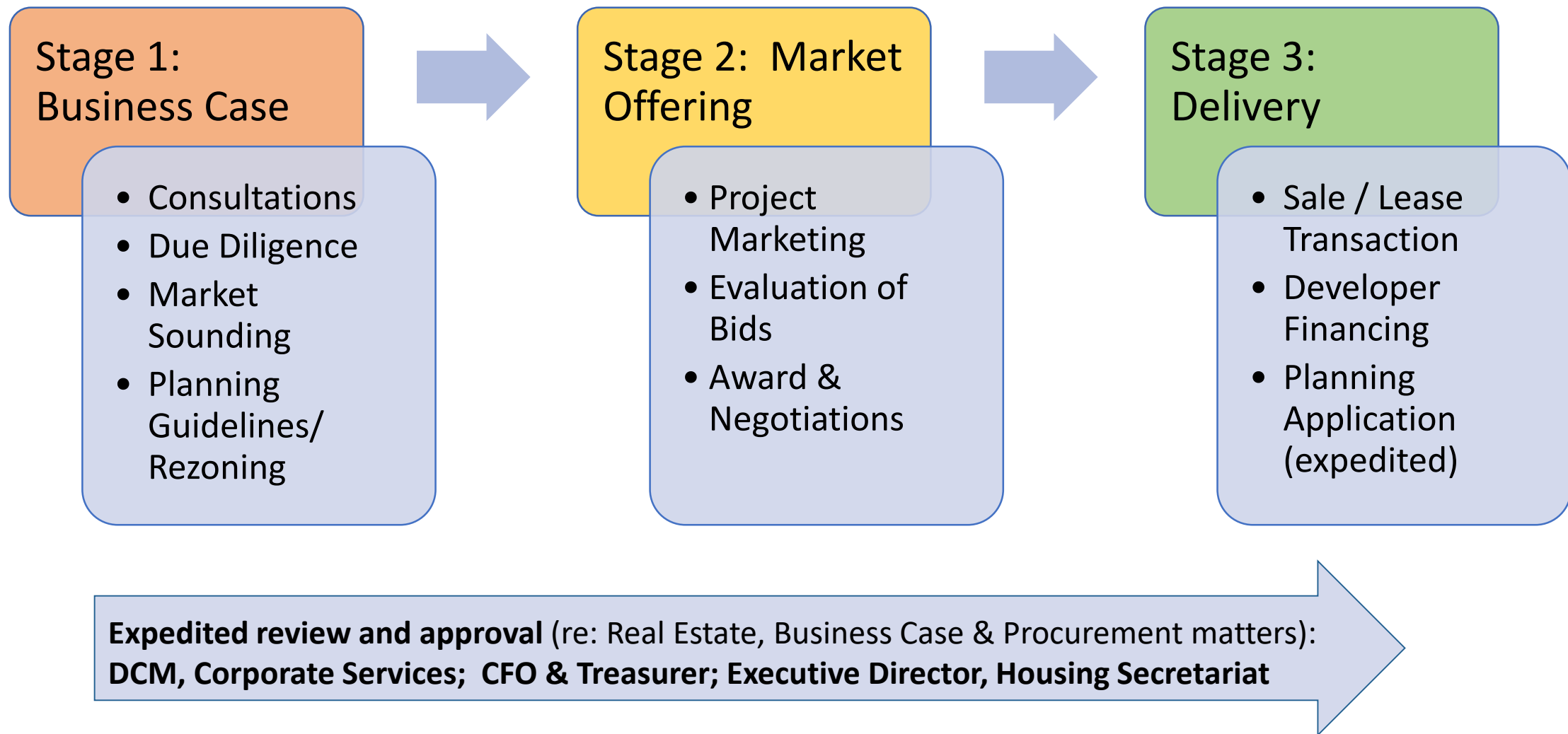
Housing Now – Delivery Action Plan

Proposed Affordable Housing Program

- 10,000 new residential homes created
  - minimum 1/3 affordable rental (approx. 3,700 units)

- Average rents not to exceed 80% annual CMHC AMR
  - At least 10% of units to be rented at 40% AMR
  - Deeper affordability achieved through housing allowances/rent subsidies

- Affordability maintained for **99 years**

- Range of unit types & sizes (1, 2, 3 bedrooms)

Affordable Housing Program (cont'd)

- At least 20% of units to be accessible

- Land offering at below market – long-term leases (for rental)

- Toronto Green Standard Version 3, Tier 2

- Development schedule prioritizes affordable housing component

- Open Door Incentives (Waived Fees & Taxes)
  - Building Permit, Planning & Parkland Dedication Fees; Development Charges
  - Property Taxes for affordable rental (over affordability period)

Delivery Framework

Stage 1: Business Case

- Consultations
- Due Diligence
- Market Sounding
- Planning Guidelines/ Rezoning

Stage 2: Market Offering

- Project Marketing
- Evaluation of Bids
- Award & Negotiations

Stage 3: Delivery

- Sale / Lease Transaction
- Developer Financing
- Planning Application (expedited)

Expedited review and approval (re: Real Estate, Business Case & Procurement matters):
DCM, Corporate Services; CFO & Treasurer; Executive Director, Housing Secretariat

Housing Secretariat

- Dedicated team, led by an Executive Director

- Facilitates planning & development of sites

- Proactively identifying & resolving issues

- Leads planning of future phases

Financial Impact

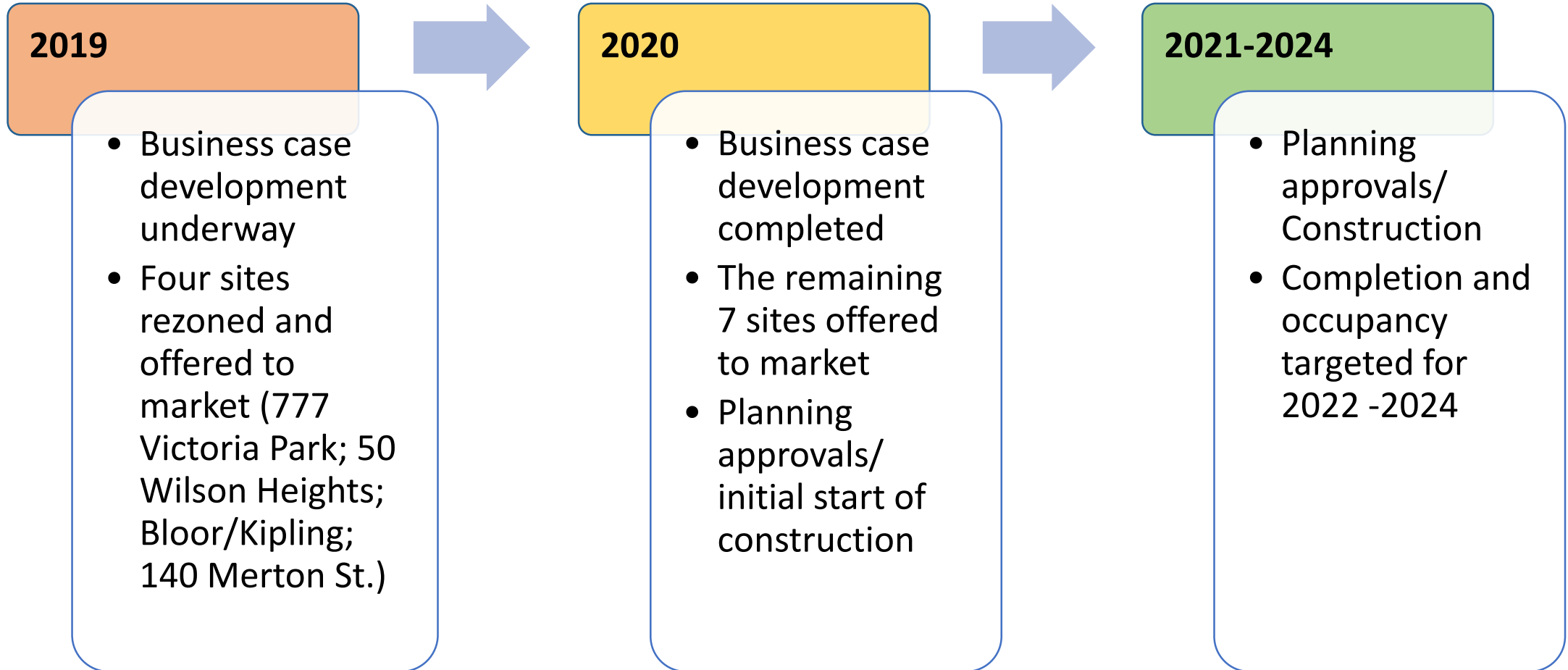| Pre-development and due diligence	Delivery of affordable housing component	Additional operational and transitional costs	Leveraging Federal Programs
• An initial allocation of **$20M** over 4 years from the City Building Fund	• **$176.1M**: Relief from DCs; Building Permits; Planning Fees; Parkland Dedication • **$104.2M**: NPV, Property Tax relief over 99 years • Land value leveraged for affordable housing	• Associated with tenant relocations, other city building objectives • To be determined as part of business case development • To be addresses in future budget cycles and/or offset by proceeds from revenues achieved through land transactions	• In collaboration with CMHC • National Housing Co-Investment Fund • Rental Construction financing Initiative

Overview of Housing Now Sites
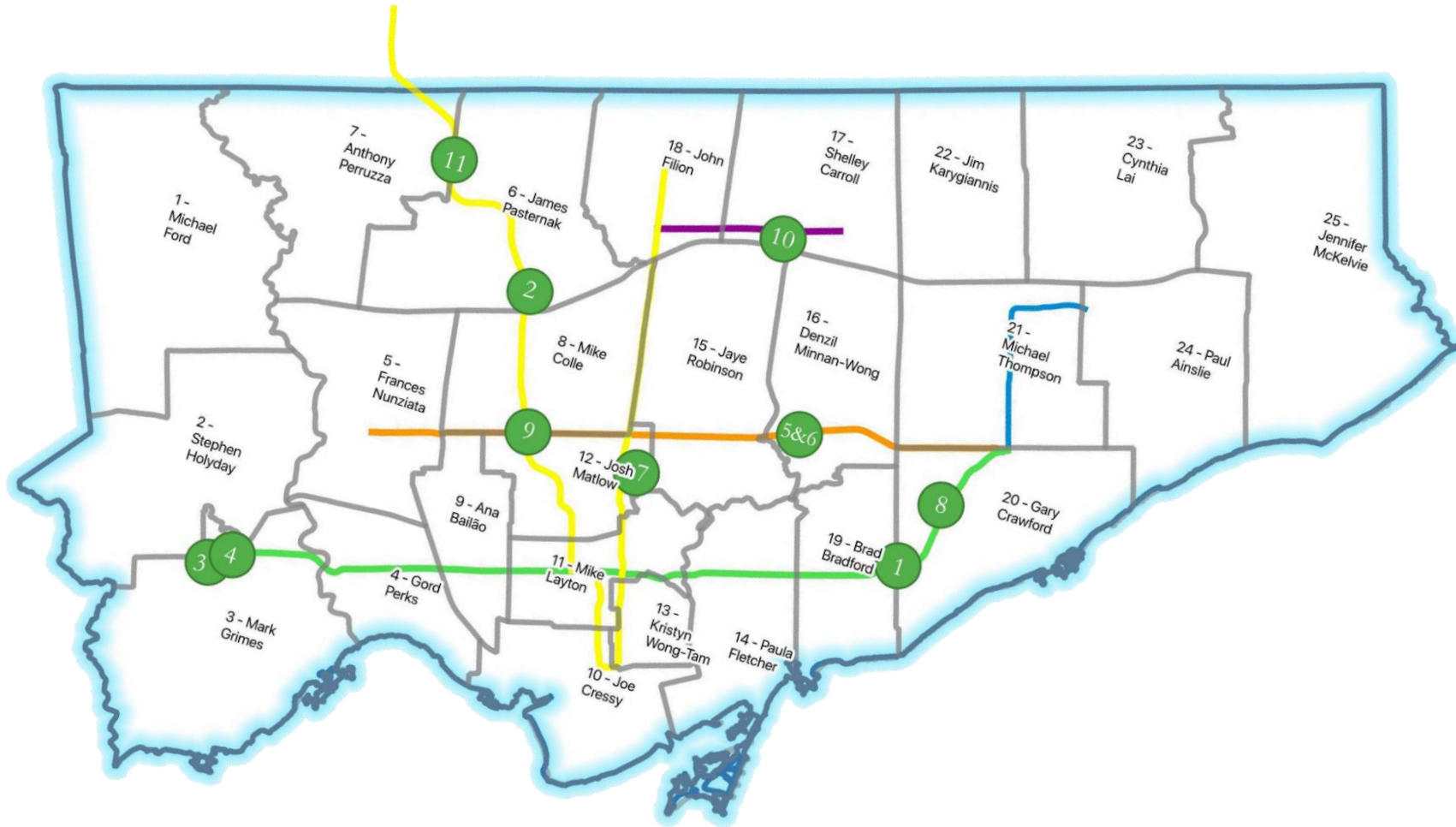
Housing Now Sites

- 40+ Acres: total size of 11 sites

- $4.2B: total construction cost

- 13,400 person years of employment generated

- 9M square feet: total residential gross floor area

#	Address	Estimated-Total Residential Units*	Estimated-Total Rental Units*	% of Total	Estimated-Affordable Rental Units*	% of Rental
1	777 Victoria Park	450	450	100%	225	50%
2	50 Wilson Heights	1,150	771	67%	385	50%
3	Bloor/Kipling	2,300	1541	67%	771	50%
4	Bloor/Islington	1,250	838	67%	419	50%
5	805 Don Mills	988	662	67%	331	50%
6	770 Don Mills	1,389	931	67%	465	50%
7	140 Merton Street	150	150	100%	75	50%
8	705 Warden Ave	450	450	100%	225	50%
9	1250 Eglinton Ave W	70	70	100%	35	50%
10	251 Esther Shiner	1,800	1206	67%	603	50%
11	3933 Keele Street	190	190	100%	95	50%
	Total	**10,187**	**7,258**	**71%**	**3,629**	**50%**

Next Steps- Timeline

2019

- Business case development underway
- Four sites rezoned and offered to market (777 Victoria Park; 50 Wilson Heights; Bloor/Kipling; 140 Merton St.)

2020

- Business case development completed
- The remaining 7 sites offered to market
- Planning approvals/ initial start of construction

2021-2024

- Planning approvals/ Construction
- Completion and occupancy targeted for 2022 -2024

More Affordable Rental Homes by 2030

Toronto Housing Plan 2020-2030 Delivery Update

June - December 2018

- Directions report approved by Council
- Public engagement strategy developed with interdivisional partners
- Consultant retention process completed
- Developed the Housing Plan webpage

January - June 2019

- Consultant retained
- Establish the External Advisory Committee
- Housing Forum hosted
- Strategic Policy Workshop completed
- Public meetings to be held
- Indigenous consultations to be held

June - November 2019

- Analyze the results of the public engagement process
- Develop implementation strategies
- Develop a costing plan for the 10-year Housing Plan

Toolkit for Affordable Housing Development

As part of preparing the Toronto Housing Plan 2020-2030, staff will outline a range of complementary initiatives and approaches to achieve the new housing targets:

"Housing Now" & Transit-Oriented Development

- Leveraging Surplus Lands (City, Province, Federal)

Scaling up the Open Door Program

- 2019 Annual Proposal Call to be issued early February

Planning Process (Section 37)

- New affordable homes will be secured through the Planning process using Section 37 of the Planning Act

Affordable Housing Land Acquisition Strategy

- To be developed to assist the City in the strategic acquisition of private land for AH development

Innovative Forms of Affordable Housing

- Exploring support for innovative housing solutions (e.g. laneway housing pilot project underway)

Inclusionary Zoning

- Staff are developing a draft policy for consultation, beginning in Q1 2019

Co-locating affordable rental housing with new City facilities

- Such as day-cares, libraries, community centres and parks

Leveraging federal and provincial housing programs

- Including the National Housing Strategy, and provincial funding for supportive housing

Questions