RE: EX1.1

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



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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

 An initial allocation of \$20M over 4 years from the City Building Fund

Delivery of affordable housing component

- \$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

Additional operational and transitional costs

- 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

Leveraging Federal Programs

- 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



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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