**RE: EX2.5t** 

# 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<sup>+</sup> 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