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Affordable Housing Plan - Update

Presentation to CreateTO Board of Directors – December 10, 2018

CREATE TO

Transforming
Toronto's Real Estate

An aerial photograph of a city skyline, likely Toronto, featuring numerous skyscrapers and a mix of modern and older buildings. A black rectangular box is overlaid on the upper right portion of the image, containing the word "Purpose" in white, bold, sans-serif font.

Purpose

1. Update on Affordable Housing Plan
2. Current Activities
3. Next Steps

Since the last Board meeting, City & CreateTO staff have:

1. Identified 11 sites with high potential for affordable rental housing and mixed income communities (the “Housing Now” initiative)
2. Briefed City Manager’s and Mayor’s Offices on the progress to date and received additional direction to increase and expedite affordable housing outcomes on public sites
3. Held a meeting with CMHC officials to discuss available funding and financing resources
4. Informed City Councillors with sites in their wards and briefed them on the objectives of the initiative
5. Issued a public statement from CreateTO Board Chair in support of the housing initiative
6. Conducted market sounding

On December 13, 2018, Mayor Tory is taking immediate action on Affordable Housing. Expected directions from City Council include:

1. Identification of 11 City-Owned/CreateTO properties for mixed-use, mixed-income development with significant rental and affordable components
2. Requesting CreateTO to support the initiative and review all current projects for consideration of affordable/rental units
3. Requesting City Divisions and Agencies to accelerate the surplus and development process
4. Requesting Report from City Manager in January 2019 on how to deliver housing outcomes

11 sites have been identified to support affordable rental and mixed-income communities:

#	Address	Ward
1	777 Victoria Park*	20
2	50 Wilson Heights	6
3	Bloor/Kipling (Blk 1-6)*	3
4	Bloor/Islington	3
5	805 Don Mills	16
6	770 Don Mills	16
7	140 Merton Street*	12
8	705 Warden Ave	20
9	1250 Eglinton Ave W*	8
10	251 Esther Shiner**	17
11	3933 Keele Street**	6
Total		

*Declared surplus for Turnover (Council approval required for Transfer)

**Surplus process pending or in progress

Why These Sites?

- ✓ **High Residential Yield** – appropriate planning context for mid/high residential development
- ✓ **Timing to Market** – considerable due diligence completed with most sites already through the surplus process
- ✓ **Manageable Constraints** – limited operational and logistical barriers to development
- ✓ **Transit Oriented** – located on transit lines to support rental project viability and mixed-income objectives



What this means for CreateTO...

1. Opportunity to support Mayor and Council priority and top issue facing most Toronto residents*
2. Re-evaluation of current projects (e.g. strategic shift to purpose built rental, where appropriate)
3. Potential new asset transfers to CreateTO
4. Potential financial impacts (under evaluation)
5. Evaluation of resources to support program delivery

Evaluating Development Feasibility & Impacts

- ✓ Purpose built rental vs. ownership levels
- ✓ Levels of affordability
- ✓ Financial incentives (City, CMHC, etc.)
- ✓ Contributing land value
- ✓ Long-term leases vs. land sales
- ✓ Developer viability (NPV analysis)
- ✓ Timing and approach to market

Engaging Key Partners & Stakeholders

- ✓ Ongoing dialog with City Planning to fast-track planning approvals
- ✓ Partnership with Urbanation (rental market insights and data)
- ✓ Ongoing market sounding (developer and broker discussions)
- ✓ Briefings with Mayor, Local Councillors, City Executives

Organizing Internal Resources

- ✓ Regular CreateTO ELT/leadership meetings
- ✓ Established multi-disciplinary working team (Strategy, Development, Finance)
- ✓ Working closely with Affordable Housing Office on program requirements, resources, reporting and stakeholder engagement
- ✓ Evaluating CreateTO staff resource to deliver outcomes

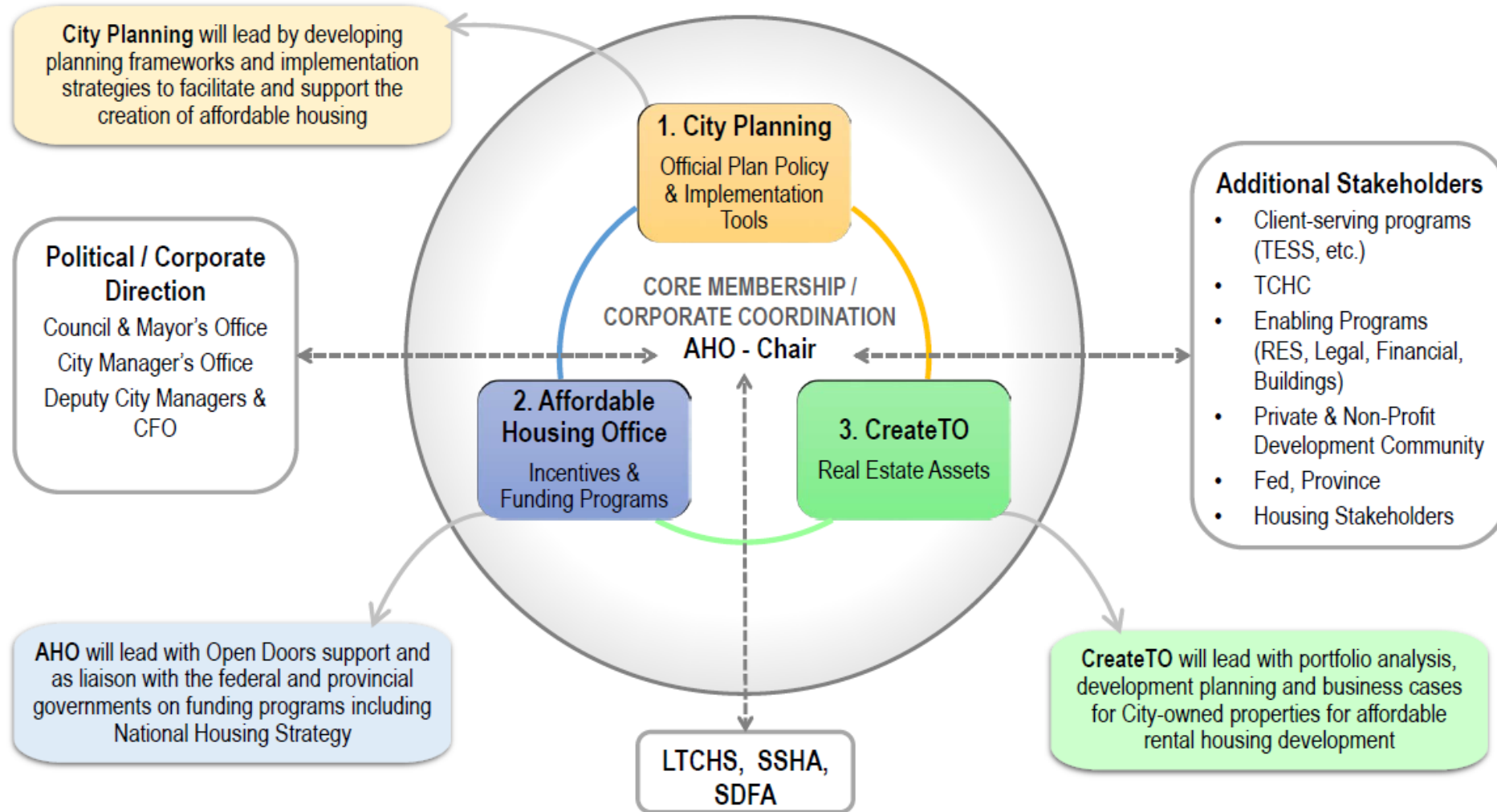
Expected next steps include...

1. Letter from Mayor John Tory at December 13th meeting of Council
2. Preparation of staff report by City Manager, with input from CreateTO (target completion end of December)
3. Update to CreateTO Board (January)
 - a. Key insights from analysis and market sounding
 - b. Overall principles, directions and approach for Board Approval
4. City Manager report to be considered by Executive Committee and City Council in January
5. Ongoing consultation with City Councillors and City Divisions

At this stage in the process, important messages include...

- ✓ As a key priority, the Mayor is seeking to better leverage the City's real estate portfolio and planning policies as one of the approaches to deliver market and affordable rental housing (i.e., commitment of 40,000 affordable rental units over 12 years).
- ✓ CreateTO is currently in the process of evaluating City-owned properties for mixed-use, mixed-income development with significant affordable and rental components.
- ✓ CreateTO, working with the Affordable Housing Office and City Planning, will develop a plan to appropriately fast track and maximize affordable housing at each development location.
- ✓ These properties offer the opportunity to engage with the private, non-profit and public sectors to develop creative solutions to balance affordability, transit accessibility and economic development in City neighborhoods.
- ✓ A report to the Executive Committee and Council, outlining an overall approach, will be delivered in January 2019.

Appendix B: Delivery Team Structure





Thank you

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