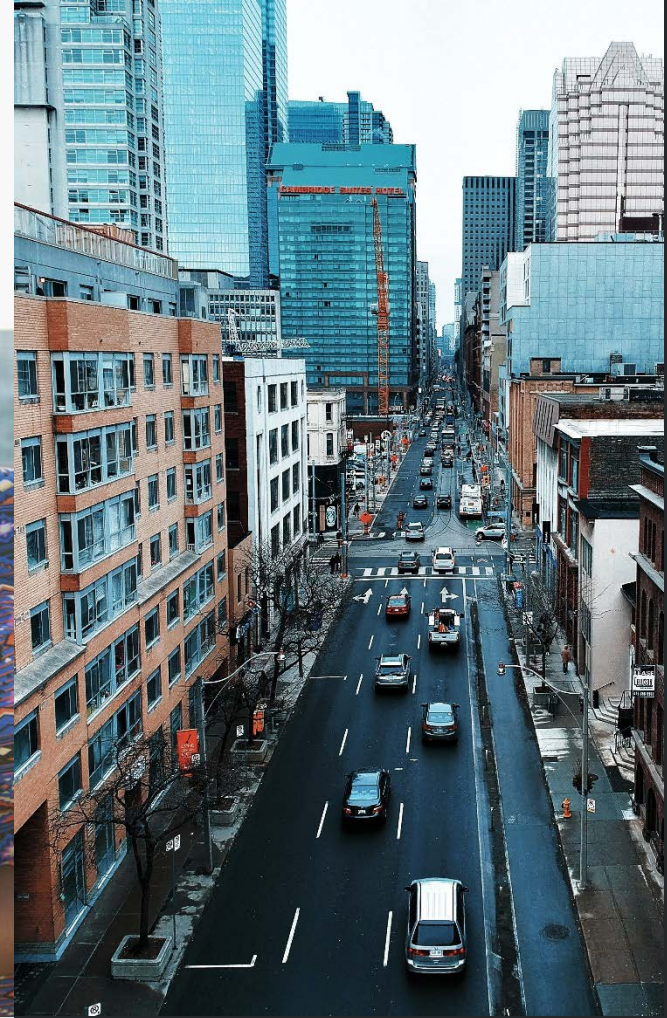




RE: RA3.3



Update on Housing Now Initiative

Presentation to CreateTO Board of Directors – February 15, 2019

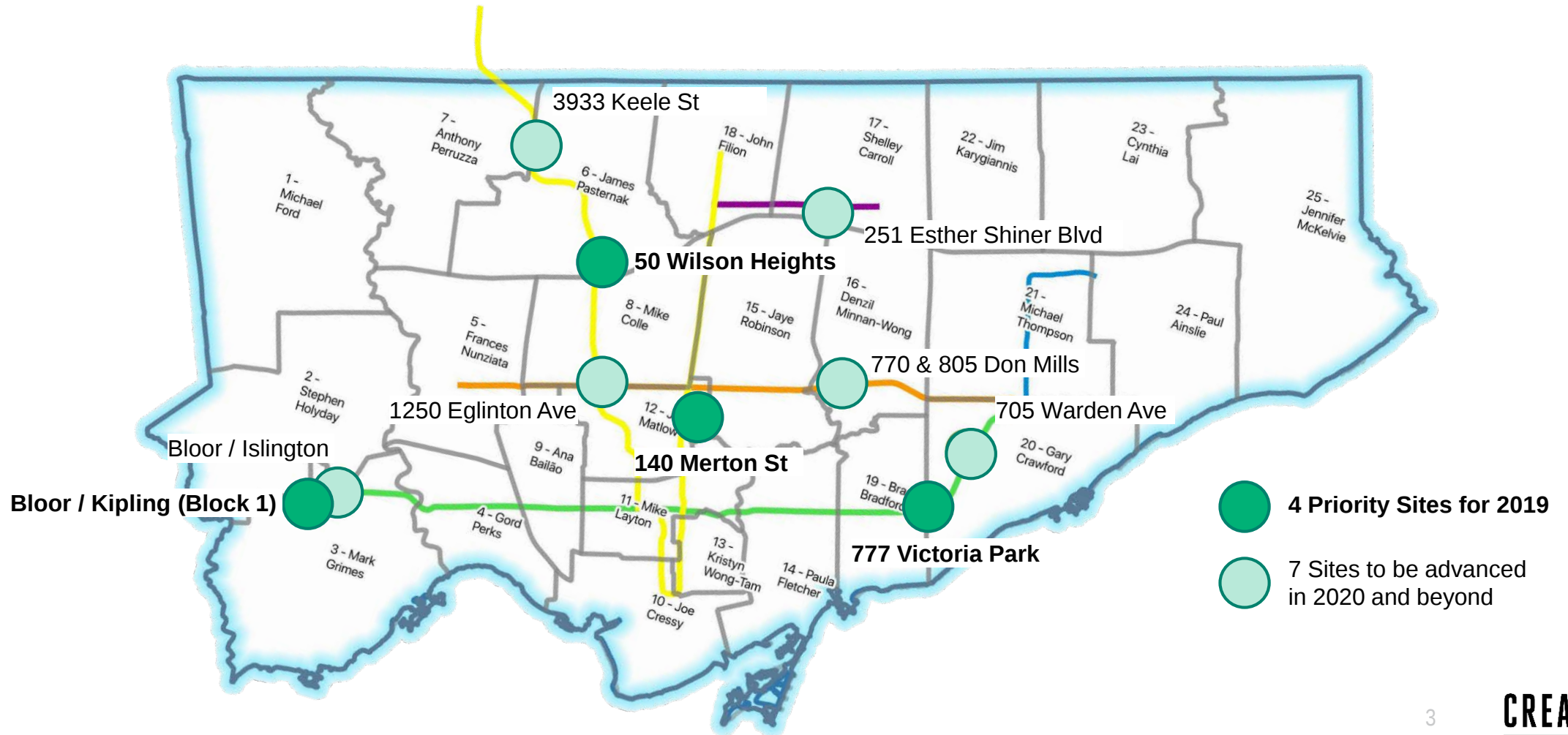
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Council Objectives for Housing Now

- 11 sites identified for Housing Now; 4 priority sites to be advanced to market in 2019.
- 10,000 new units created with a minimum target of 1/3rd affordable rental, 1/3rd market rental, and a maximum of 1/3rd market ownership.
 - Avg. affordable rents not to exceed 80% of annual CMHC Average Market Rent (Deeper affordability to be pursued through housing allowances/rent subsidies)
- Prioritize retaining public ownership through long-term leases (for rental component)
- Target 4 sites to be owned and operated by non-profit/cooperative housing providers; “enhanced consideration” for their participation in other 7 sites.
- Pursue additional city building and community benefits on sites.

Housing Now Sites



Financial Model

Pre-development & Due Diligence Work

- Council approved an initial allocation of **\$20M** over 4 years
- Estimated **\$12.4M** in due diligence costs to CreateTO to be recovered through delivery agreement with the City
- Due Diligence work will identify financial impact of delivering affordable housing

Affordable Housing Incentives (City)

- **\$176.1M** in relief from DCs, building permits; planning fees, parkland dedication
- **\$104.2M** NPV of property tax relief over 99 years
- Land value to be leveraged as necessary

Extraordinary Site Preparation & City Building Costs

- Business cases will summarize costs related to tenant relocation, city building, etc.
- To be addressed through future City budget cycles, development approvals and/or offsets from land revenues

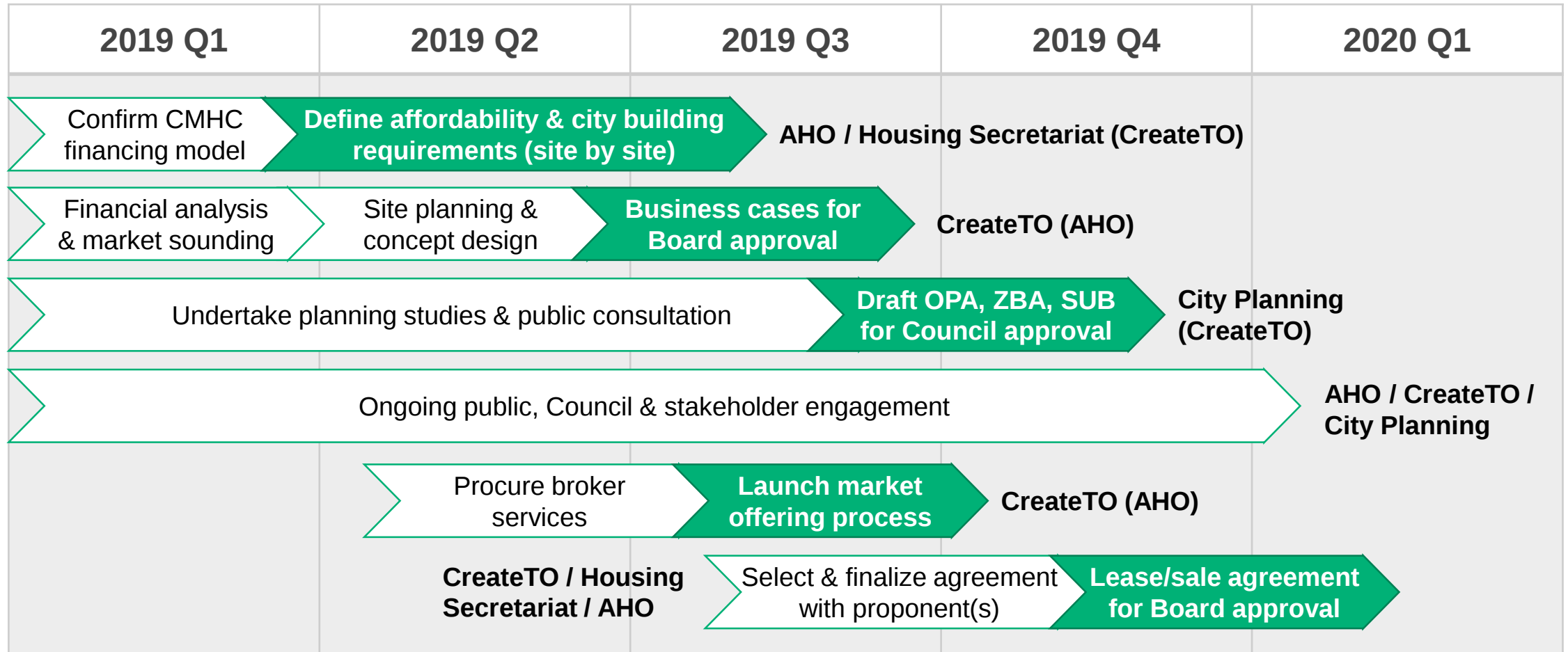
Support from Federal Programs

- In collaboration with CMHC
- National Housing Co-investment Fund
- Rental Construction Financing Initiative

Governance & Coordination

- CreateTO Board and senior City leadership to provide general governance for Housing Now. CreateTO and City Staff will provide regular status updates at Board meetings.
- **CreateTO Board is specifically responsible for:**
 - Approving business cases for sites prior to market offering process
 - Approving terms and conditions of proposed sale/lease agreement with successful proponent(s)
- **Program delivery by a City-wide project team:**
 - **Affordable Housing Office / Housing Secretariat** – General program stewardship, resources and criteria.
 - **CreateTO** – Due diligence, business case development and market offering process for 11 sites
 - **City Planning** – Expedited review and planning approvals for 11 sites
 - **Other Divisions & Partners** – Engaged to support site by site program requirements

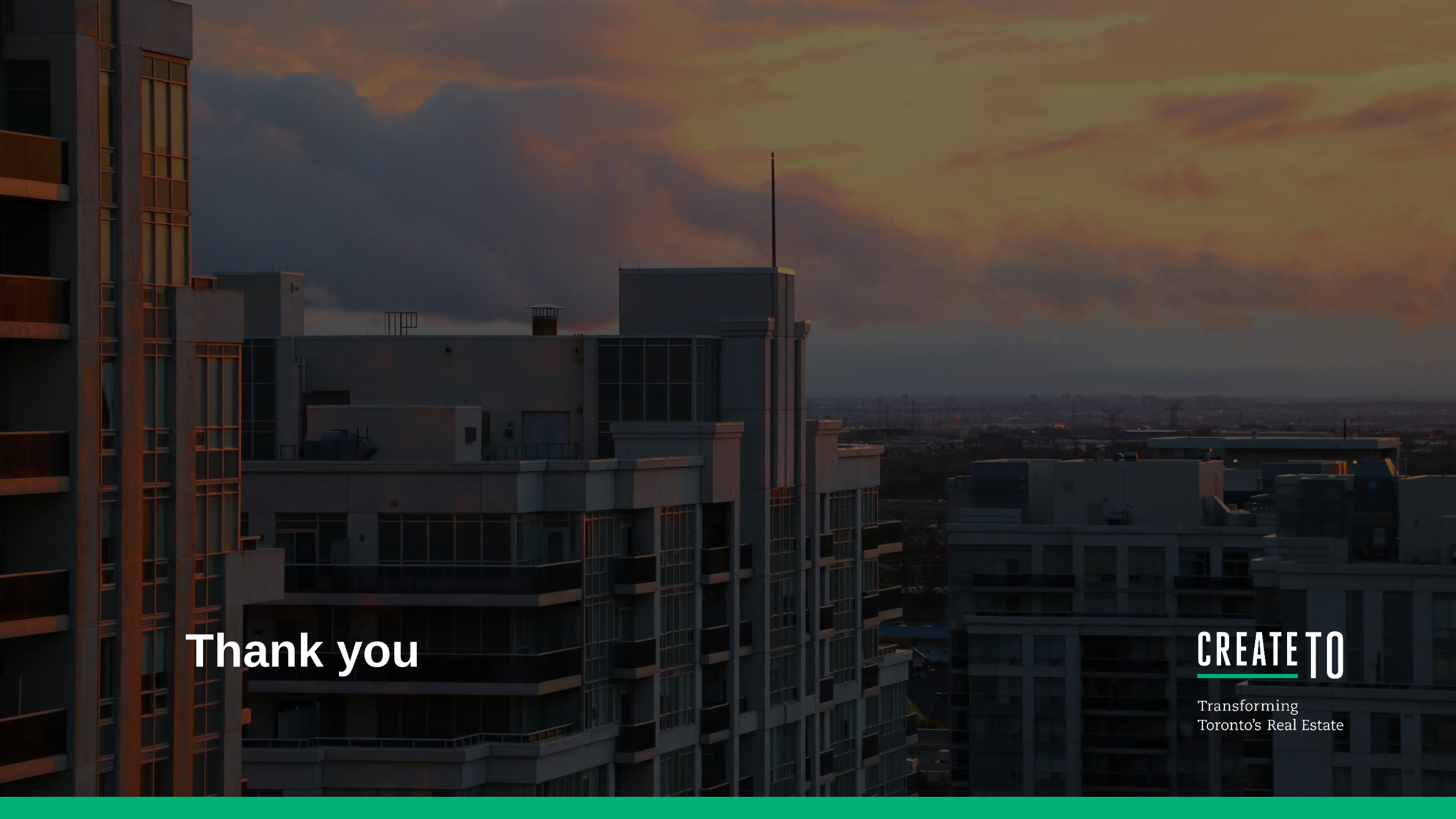
2019 Work Plan & Timelines for 4 Priority Sites



This process will be repeated for the 7 remaining Housing Now sites from 2019 Q4 to 2020 Q4.

Next Steps

- Councillor and stakeholder engagement
- Engagement with CMHC
- Rental market analysis
- Market sounding with private/non-profit stakeholders
- Updated site planning studies (massing and density, servicing, etc.) for input to City Planning-led OPA, ZBA and/or SUB
- Procure support for market offering process



Thank you

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