

Housing Now Progress Update

Date: July 9, 2020

To: Board of Directors, CreateTO

From: Chief Executive Officer

Wards: All

SUMMARY

On January 30, 2019, City Council approved a signature affordable housing initiative, "the Housing Now Initiative," to leverage City-owned land for the purpose of creating new, mixed-use, mixed-income communities. Through the initiative, 11 properties were identified for development, with the potential to create a total of 10,000 new residential units. On May 28, 2020, Council approved the addition of 6 more sites to the Housing Now Initiative with the potential to create 1,455 to 1,700 residential units. The Housing Now Initiative is coordinated through a Steering Committee composed of senior staff from the Housing Secretariat, City Planning and CreateTO. The purpose of this report is to provide a broad status update on the progress made to-date on the 17 properties.

RECOMMENDATIONS

The Chief Executive Officer recommends that the Board of Directors receive this report for information.

FINANCIAL IMPACT

There is no financial impact on CreateTO. Due diligence, marketing and partial human resource costs are being recovered by CreateTO from the Housing Secretariat.

DECISION HISTORY

On December 13, 2018, City Council adopted the Housing Now Initiative by approving the activation of 11 sites for the development of affordable housing as part of creating mixed-income, mixed-use and transit oriented communities.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.3>

On January 30, 2019, Council approved an action plan, resources and program requirements for the Housing Now Initiative.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX1.1>

On July 9, 2019, the CreateTO Board directed the Chief Executive Officer, CreateTO to include the following as part of the Housing Now business case:

- a. a summary of the results of the community consultation, with local councillor input;
- b. the planning context;
- c. context on City Building initiatives;
- d. a breakdown of levels of affordability and proposed terms of the transaction; and
- e. how the business case addresses maximum attainability of affordable units.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.RA7.4>

On September 24, 2019, the CreateTO Board of Directors adopted RA 8.2 "Housing Now Business Cases for 140 Merton Street, 50 Wilson Heights Boulevard, 705 Warden Avenue and 777 Victoria Park Avenue", which presented business cases and a recommended approach to the market offering process for the first four Housing Now properties.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.RA8.2>

On January 27, 2020, the CreateTO Board of Directors adopted CreateTO staff recommendations to authorize Management's recommendations authorizing negotiations of land leases and purchase and sale agreements with the preferred proponents for 50 Wilson Heights Boulevard and 777 Victoria Park Avenue.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.RA10.2>

On May 28, 2020, Council approved the creation of new affordable housing opportunities through Phase Two of the Housing Now Initiative.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC21.3>

COMMENTS

Progress since the June 12, 2020 Board Meeting

Phase 1 - 11 Properties (Detailed Milestone Report found in Attachment 1)

50 Wilson Heights Boulevard and 777 Victoria Park Avenue

The selection of the preferred bids for 50 Wilson Heights Boulevard and 777 Victoria Park Avenue have been approved by the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer. Zoning by-law amendments have been approved by Council. We are negotiating final documents with the proponents on these two sites. Due diligence periods have been extended due to the Covid-19 pandemic.

705 Warden Avenue

Toronto City Council's Planning and Housing Committee requested staff to review potential revisions to the 705 Warden Avenue development concept with the objective of providing additional housing opportunities on site and consult with the Ward Councillor and local community on this matter. The revised development concept was the subject of an Online Information Session held on Wednesday, May 13, 2020. A zoning bylaw and draft plan of subdivision conditions was approved by City Council June 20, 2020. The business and marketing plan is before the Board for endorsement and, if endorsed, will be sent to the Deputy City Manager, Corporate Services and the Chief Financial Officer for final approval before going out to market.

140 Merton Street

140 Merton Street has received zoning approval. The property's business and marketing plan has been approved and now that City Council has provided direction on the matter of rent controls required on market rental units, the marketing to Not-For-Profit organizations will commence this month.

Bloor-Islington and Bloor-Kipling

In the fall of 2019 work began on the preparation of a Block Context Plan for the 17-acre site at Bloor-Kipling and the 3.8-acre site at Bloor-Islington. To-date two public meetings have been held on the proposal. A conceptual site plan for the relocated TTC bus terminal is nearing completion, following collaboration with the TTC and City Planning. This sets the clear boundary for the Housing Now development blocks. CreateTO and City Planning are finalizing components of the overall program for the site to meet Council's direction for complete communities on Housing Now sites. The current schedule calls for submission of documents to support a re-zoning and going to market on Bloor-Islington and the first block of Bloor-Kipling in late 2020.

770 & 805 Don Mills Road

The Ontario Line will run above grade going north on either the east or west side of Don Mills Road. It is expected the Province will determine the final line location this year. Once the alignment is established, the plans for these sites will be finalized, submitted for planning approvals and the sites will proceed to market.

1250 Eglinton Avenue West, 3933 Keele Street, and 251 Esther Shiner Boulevard (Oriole Yards)

Due diligence work is proceeding on the remaining three properties. The Oriole Yards Study has identified a plan for relocating existing City uses from the site to free the lands for development and block context plan and preparation of zoning reports to support a City initiated rezoning and plan of subdivision will start in the next month.

The property at 3933 Keele Street will be brought to market on the completion of the Finch West Light Rail Transit (LRT) expected in 2023/24.

The property at 1250 Eglinton Avenue West will be available for marketing following completion of the Eglinton Crosstown, which is now expected in 2022.

Phase 2 - 6 Properties

On May 28, 2020, Council approved the addition of the following 6 properties:

405 Sherbourne Street
1631 Queen Street East
150 Queen's Wharf Road
2467 Eglinton Avenue East
158 Borough Drive
1627 & 1675 Danforth Avenue

Due Diligence work is continuing on these sites. Project teams have been retained to refine development concepts on 405 Sherbourne and 1631 Queen St East. City Planning, CreateTO and various City Divisions have begun work to determine what complete community elements will be located at these sites. Staff anticipates bringing these properties to Planning and Housing Committee in 2021.

CONTACT

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SIGNATURE

Brian Johnston
Chief Executive Officer

ATTACHMENTS

Attachment 1 - Phase 1 Housing Now Milestone Report

ATTACHMENT 1 - Housing Now Milestone Report

	Address	Prior Total Units	Current Total Units	Total Rental (% of total units)	Afford. Rental (% of total units)	Go To Market	Const'n Start First Forecast	Const'n Start Current Forecast	Change/(Months)	Notes
Phase 1	777 Victoria Park	450	508	508 (100%)	254 (50%)	Q4 2019	Q4 2020	Q4 2021	-12	Covid delays in Lease negotiations & approvals
	50 Wilson Heights	1,150	1,484	1,072 (72%)	536 (36%)	Q4 2019	Q4 2020	Q1 2022	-15	Covid delays in Lease negotiations & approvals
	705 Warden	450	600	600 (100%)	250 (42%)	Q3 2020	Q4 2020	Q2 2022	-18	Covid delays, Planning and Housing Committee approval revisions & and remarketing
	140 Merton Street*	150	180	180 (100%)	90 (50%)	Q3 2020	Q4 2020	Q1 2022	-15	Covid delays & On hold pending market rent report
Phase 2	Bloor/Kipling (Blk 1) *	2,300	2,300	1,541 (67%)	771 (34%)	Q4 2020	Q4 2021	Q2 2022	-16	Final program development in conjunction with Planning
	Bloor/Islington	1,250	1,250	838 (67%)	419 (34%)	Q4 2020	Q4 2021	Q2 2022	-6	Final program development in conjunction with Planning
	805 Don Mills	988	988	662 (67%)	331 (34%)	Q4 2020	Q4 2021	Q3 2022	-9	Assume no Ontario line location requimts but LRT construction delayed
Phase 3	770 Don Mills	1,389	1,389	931 (67%)	465 (33%)	Q4 2021	Q4 2021	Q3 2023	-12	On hold pending confirmation of Ontario Line location & LRT delays
	1250 Eglinton Ave W	70	70	70 (100%)	35 (50%)	Q4 2021	Q4 2021	Q1 2023	-15	Eglinton LRT delays
	251 Esther Shiner	1,800	1,800	1,206 (67%)	603 (34%)	Q4 2021	Q4 2022	Q2 2023	-6	Requires relocation of public works yards
	3933 Keele Street	190	190	190 (100%)	95 (50%)	Q1 2023	Q4 2022	Q4 2024	-24	On hold pending completion of Finch West LRT
TOTAL		10,187	10,759	7798 (72%)	3849(36%)					

Previously: 3629 (36%)

* Bloor Kipling has 4 residential blocks containing 2,300 units that will go out to market over the next few years.

**Changes from May 28th 2020 report shown in Bold