



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Housing Now Progress Update

Date: Nov 20, 2020

To: Board of Directors, CreateTO

From: Vice President Development

Wards: All

REASON FOR CONFIDENTIAL ATTACHMENT

The attachment to this report is about a position, plan, procedure, criteria or instruction to be applied to a negotiations carried on or to be carried on by or on behalf of the Board of Directors of CreateTO.

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 Vice President, Development recommends that the Board of Directors of CreateTO direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it is about a position, plan, procedure, criteria or instruction to be applied to a negotiations carried on or to be carried on by or on behalf of the Board of Directors of CreateTO.

FINANCIAL IMPACT

There is no additional financial impact on CreateTO. Human Resources costs are covered by the 2020 CreateTO Operating Budget. Due diligence, marketing and partial

human resource costs are being recovered by CreateTO from the Housing Secretariat as per the Council approval of capital costs for Housing Now as set out in EX1.1 referenced in the Decision History below.

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>

On June 29, 2020 Council received the Housing Now Initiative- Annual Progress Report. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH14.3>

COMMENTS

Advancing the individual Housing Now projects will support the City's HousingTO 2020-2030 Action Plan targets. It will provide a range of new housing, including much-needed affordable and supportive housing, some within new complete communities.

Additionally, creating new affordable housing with appropriate supports will increase the opportunity for structurally vulnerable and marginalized individuals, including Indigenous Peoples, seniors, women, the LGBTQ2S+ community, Black people, and People of Colour to access safe, healthy and adequate homes.

Progress since the Oct 9th, 2020 Board Meeting

Progress since the October 9th meeting is charted Attachment 1 and Attachment 2. Attachment 1 is the 'Milestone Report' including all properties from both Phase 1 and Phase 2. The Milestone report identifies key metrics for each property including the number of affordable units, target dates for the market offering, and estimated dates for start of construction, by project. Attachment 2 is the 'Unit Tracker' for both Phase 1 and 2. This tracker outlines estimated unit count per property, including a sum of how many units are at specific stages of the development cycle. Additional detail on each site is provided in the subsequent section of this report.

Phase 1 - 11 Properties

50 Wilson Heights Boulevard

The selection of the preferred bidder for 50 Wilson Heights Boulevard has been approved by the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer. The Zoning by-law amendment and draft plan of subdivision conditions were approved by City Council at its February 26, 2020 meeting and the Zoning By-law is in force. Due diligence conditions have been waived by the preferred proponent. The preferred proponent is preparing Site Plan Application materials for submission to City Planning prior to the end of the year. Final Transaction terms are with the CreateTO board for consideration (at this meeting/agenda item #RA19.**).

777 Victoria Park Avenue

The selection of the preferred bidder 777 Victoria Park Avenue has been approved by the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer. The site's Zoning by-law was approved by Council at its November 29, 2019 meeting and is in force. Final documents are being negotiated with the proponent. Due diligence periods are underway. The preferred proponent is actively pursuing financing. Further details on this project can be found in Confidential Attachment 1.

705 Warden Avenue

A revised Zoning By-law and draft plan of subdivision conditions were approved by City Council June 28, 2020. The Zoning By-law is in force. The business and marketing plan was approved by the Deputy City Manager, Corporate Services and the Chief Financial Officer. The site was released to market on August 10, 2020, and bids were received on October 7, 2020. A preferred proponent has been selected and the Term Sheet has

been negotiated, as detailed in a separate report, submitted for the Board's consideration at the December 4, 2020 meeting.

140 Merton Street

The site's Zoning by-law was approved by Council at its December 17, 2019 meeting and is in force. The property's business and marketing plan has been approved. The project awaits final Senior City staff approval on financial aspects of the Project prior to going to market.

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 jointly on each proposal. A conceptual site plan for the relocated TTC bus terminal at Bloor Islington is nearing completion. Following collaboration with the TTC and City Planning, the northern boundary for the Housing Now development blocks have been established and details regarding the design of the intersection of the new public road, TTC driveway and Islington Avenue are being finalized. CreateTO and City Planning have finalized Block Context Plans for both Bloor-Kipling and Bloor-Islington. These projects were presented to the City's Design Review Panel (DRP) on October 8, 2020. CreateTO and City Planning are finalizing the approach for an expedited work program for technical review of the zoning package, and are targeting the re-zoning and plan of subdivision submission for the Bloor-Kipling site in Q1 2021 and the Bloor-Islington site in Q3 2021.

805 Don Mills Road

The Ontario Line is proposed to be elevated above ground on Don Mills Road. Metrolinx's current proposed alignment for the Ontario Line encroaches into the western portion of the property, right at the intersection of Don Mills Road and Eglinton Avenue East. The architects are currently updating the preliminary development concept to consider the proposed above grade infrastructure impact on the site. Once these plans are complete, City Planning and CreateTO will work closely to coordinate a re-zoning and draft plan of subdivision submission, currently anticipated for the end of Q1 2021. The sites will proceed to market in Q3 2021. In the interim, CreateTO is working with City Planning and other Divisions to finalize elements of the future subdivision at 805 Don Mills Road to facilitate the construction of new roads, which are required to realize the development opportunity at this location.

770 Don Mills Road

The development concept for 770 Don Mills Road is subject to a Land Exchange with the Toronto District School Board as considered by General Government and Licencing Committee on June 14, 2019 and adopted by City Council on July 16, 2019 (GL6.17). One requirement of the Land Exchange is for the City of Toronto to provide 54,000 square feet of stratified fee simple interest on part of 770 Don Mills Road. In order for the City to provide the necessary design components of the future TDSB elementary school, land is required from the Science Centre to the south (currently a portion of the parking lot). Discussion are currently underway with the Ministry of Heritage, Sport, Tourism, and Culture Industries for rights to the additional lands needed.

251 Esther Shiner Boulevard (Oriole Yards)

The Oriole Yards Study has identified a plan for relocating existing City uses from the site to free the lands for development with the exception of the fuel depot, which is still to be determined. The development of the Block Context plan is currently under way and is expected to be complete by Q2 2021, with a rezoning submission planned for Q3 2021.

1250 Eglinton Avenue West, 3933 Keele Street

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 expected in 2022.

Phase 2: 6 Properties

405 Sherbourne Street

Real property due diligence and concept planning is currently underway. The first community consultation will take place November 23, 2020, with Design Review Panel taking place on November 26, 2020. The re-zoning submission is being targeted for Q1 2021.

1631 Queen Street East

Real property due diligence and concept planning is currently underway. The first community consultation will take place on December 7, 2020, and presentation to the Design Review Panel will take place on December 10, 2020. The re-zoning submission is targeted for Q2 2021.

150 Queen's Wharf Road

Real property due diligence currently underway. CreateTO has selected an architecture firm, and concept design has begun.

2444 Eglinton Avenue East

Real property due diligence currently underway. CreateTO has selected an architecture firm and work is scheduled to begin on concept design before the end of November 2020.

This site has been selected by the Housing Secretariat, City Planning and CreateTO pilot to go to market in advance of a zoning submission. Before the pilot is launched consultation will be held with the Ward Councillor and community. The pilot will be used to assess if this approach shortens the overall timelines (including securing in-force zoning for the site) for the ultimate delivery of constructed and occupied affordable housing units. Through the pilot, CreateTO will also try to assess the following:

- **Regulatory Risks:** what is the impact on market interest on Housing Now sites when the developer, and not City/CreateTO, will carry the risk of an appeal of the zoning by-law?
- **Financing:** how is access to CMHC financing affected by a developer-led, rather than City-lead re-zoning process, when financing is contingent on zoned sites?

- Financial savings: does the approach set up through the pilot result in any financial savings to the City?
- Quality: is the quality of the application equal with re-zoning that would be prepared and reviewed collaboratively with CreateTO and City Planning?

158 Borough Drive

Real property due diligence is currently underway. *CreateTO has selected an architecture firm, concept design begin by the end of Nov 2020.*

1627 & 1675 Danforth Avenue

Due Diligence is underway building on the Council-approved framework established by Danforth Garage Master Plan. The consultant team will be retained by December 2020 with refinement of uses, unit counts and a phasing plan to begin in January 2021.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1 - Phase 1 Housing Now Milestone Report
Attachment 2 - Housing Now Unit Tracker
Confidential Attachment 1 - 777 Victoria Park Confidential Update