City Council

Motion without Notice

MM34.50	ACTION			Ward: 12
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Relocation of Existing Community Space Tenant to Accommodate Housing Now Development at 140 Merton Street - by Councillor Councillor Josh Matlow, seconded by Councillor Mike Layton

* This Motion has been deemed urgent by the Chair. * This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.

Recommendations

Councillor Josh Matlow, seconded by Councillor Mike Layton, recommends that:

1. City Council authorize the City to enter into a lease agreement with a term of five years, and with two options to renew of one year each, for certain premises situated at 130 Merton Street on terms and conditions as may be acceptable to the Deputy City Manager, Corporate Services or designate, and the Executive Director Social Development, Finance and Administration and in a form satisfactory to the City Solicitor.

2. City Council authorize the City to enter into a new Community Space Tenancy sublease with Senior People's Resources in North Toronto Incorporated based on substantially the same terms and conditions as their current Community Space Tenancy lease at 140 Merton Street or amended terms and conditions as may be acceptable to the Deputy City Manager, Corporate Services or designate, and the Executive Director Social Development Finance and Administration, and in a form satisfactory to the City Solicitor, to facilitate the temporary relocation of their operations at 140 Merton Street to 130 Merton Street as part of the redevelopment of the City owned property at 140 Merton Street, consistent with Council's previous decision on Item EX1.1 entitled Implementing the "Housing Now" Initiative.

3. City Council direct the Executive Director Corporate Real Estate Management and the Executive Director of the Housing Secretariat to ensure that any additional costs incurred as a result of this relocation of Senior People's Resources in North Toronto Incorporated are not to be allocated back to Senior People's Resources in North Toronto Incorporated and should be funded through the "Housing Now"' initiative initial allocation of \$20,000,000 from the City Building Reserve Fund (XR1730) to the Capital Revolving Reserve Fund for Affordable Housing (XR1058) overseen and used by the Executive Director, Housing Secretariat to fund pre-development work for the first 11 sites.

4. City Council authorize the Deputy City Manager, Corporate Services and the Executive Director, Corporate Real Estate Management to execute such documents required to complete the relevant lease agreements.

5. City Council direct the Chief Financial Officer and Treasurer, in consultation with the Executive Director, Corporate Real Estate Management, to report back on the designation of the subject leased premises at 130 Merton Street as a municipal capital facility.

Summary

In January 2019, the City-owned property at 140 Merton Street was identified as one of eleven "Housing Now" sites to be re-developed into mixed-income market and affordable housing and community use space. To facilitate the redevelopment of this site the Director, Real Estate Services, the Director, Affordable Housing Office and the CEO of CreateTO were requested to work with Senior Peoples' Resources in North Toronto Incorporated to expedite the identification and securing of a suitable location and facility for the temporary relocation of the Senior Peoples' Resources in North Toronto Incorporated facility at 140 Merton Street, which has been in operation since 1998.

As directed by Council an extensive search was conducted to find a suitable temporary relocation space for Senior Peoples' Resources in North Toronto Incorporated. Following a survey of all City-owned assets in the vicinity of 140 Merton Street, it was determined that there were no suitable, available spaces that met the required timelines, location and space requirements. This was followed up in January 2020 by a search for suitable third-party space, with a space at 1 Eglinton Avenue East initially identified as a suitable option. However following a delay to the 140 Merton project due to funding shortfalls in 2020, the timing of the lease at 1 Eglinton Avenue East was no longer suitable and a new search was started in February 2021. As a result of this new search, and following initial negotiations, 130 Merton Street has been identified as a suitable and cost effective temporary re-location option for Senior People's Resources in North Toronto Incorporated.

The 140 Merton Housing Now re-development offering was released by the Housing Secretariat and CreateTO in early June 2021 and it is anticipated that a proponent will be selected for this project in Fall 2021. Following the completion of the remaining planning approvals, it is anticipated that the proponent could begin construction at 140 Merton as early as Spring or Summer 2022. The proposed lease at 130 Merton is to begin in January 2022. This timing will ensure that Senior Peoples' Resources in North Toronto Incorporated have been relocated prior to the anticipated start of any demolition and heritage preservation work on 140 Merton.

This Motion seeks City Council authority to enter into a lease at this location on terms and conditions that are satisfactory to the City Solicitor, and seeks authority to enter into a Community Space Tenancy sublease with Senior Peoples' Resources in North Toronto Incorporated to allow for the temporary relocation of their operations to 130 Merton Street, all consistent with Council's previous decision on item EX1.1 - Implementing the "Housing Now" Initiative.

Approval of the recommendations in this motion will allow Senior Peoples Resources in North Toronto to continue to operate in the North Toronto area throughout the duration of the re-development of 140 Merton Street. Following completion of construction at 140 Merton Street, Senior Peoples' Resources in North Toronto Incorporated will re-locate back into the newly constructed community space at 140 Merton Street.

Background Information (City Council)

Member Motion MM34.50