

## **Open Door Program 2020 Call for Applications Results: Supporting 971 New Affordable Rental Homes**

**Date:** February 16, 2021

**To:** Planning and Housing Committee

**From:** Executive Director, Housing Secretariat

**Wards:** 3, 5, 8, 11, 13, 14, 19, 24, 25

### **SUMMARY**

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This report outlines the results of the 2020 Open Door Program Call for Affordable Rental Housing Applications and recommends 15 developments, representing a total of 971 new affordable homes, for approval by City Council. Eleven of the 15 affordable housing developments are proposed by non-profit housing providers, and of these, three are by Indigenous groups.

The recommended developments follow a competitive Call for Applications under the Open Door Program which was issued on September 15, 2020 and closed on November 17, 2020. The applications were reviewed and assessed by an interdivisional committee of staff from the Housing Secretariat, City Planning, Shelter Support and Housing Administration and Corporate Finance, with input from Legal Services.

This report recommends that authority be granted to the Executive Director, Housing Secretariat to enter into the necessary agreements to provide City financial support for the construction and operation of these new affordable rental homes. The homes will be affordable for a minimum period of 40 years, and in many cases, in perpetuity.

This report also outlines updates to the Open Door Program which will be implemented in 2021 to increase the number of affordable rental approvals; enhance support to the non-profit housing development sector; and better align the City's Open Door Program with current Canadian Housing and Mortgage Corporation (CMHC) programs under the National Housing Strategy.

## RECOMMENDATIONS

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The Executive Director, Housing Secretariat, recommends that:

1. City Council authorize the Executive Director, Housing Secretariat, to provide capital funding from the Development Charges Reserve Fund for Subsidized Housing (XR2116) in the amounts and for the developments described in Chart A in the Financial Impact section of this Report and in an amount not to exceed \$10,899,200 to facilitate the creation of up to 971 new affordable rental homes through the Open Door Program.
2. City Council authorize the Executive Director, Housing Secretariat, to provide capital funding from the Development Charges Reserve Fund for Subsidized Housing (XR2116), in the amounts and for the developments described in Chart C in the Financial Impact section of this Report and in an amount not to exceed \$100,000 for the purpose of conducting pre-development activities including addressing issues identified by City staff to facilitate the creation of an additional 124 affordable rental homes through a future Open Door Program application.
3. City Council authorize the Executive Director, Housing Secretariat, to exempt the developments described in Chart A in the Financial Impact section of this Report from the payment of development charges, building, planning and parkland dedication fees.
4. City Council authorize an exemption from taxation for municipal and school purposes for the developments and for the periods of time described in Chart B in the Financial Impact section of this Report.
5. City Council authorize City staff to cancel or refund any taxes paid after the effective date of the municipal housing facility agreement (the City's Contribution Agreement).
6. City Council authorize the Executive Director, Housing Secretariat, to negotiate and execute, on behalf of the City, a municipal housing facility agreement (the City's Contribution Agreement) with the developers of the developments described in Chart A in the Financial Impact section of this Report, or related corporations, to secure the financial assistance and to set out the terms of the development and operation of the new affordable rental housing, on terms and conditions satisfactory to the Executive Director, Housing Secretariat, in consultation with the Chief Financial Officer & Treasurer and General Manager, Shelter, Support and Housing Administration, in a form approved by the City Solicitor.
7. City Council authorize the Executive Director, Housing Secretariat, to negotiate and enter into, on behalf of the City, a pre-development agreement with the developers of the proposals described in Chart C in the Financial Impact section of this Report from the Executive Director, Housing Secretariat, or related corporations, to secure the financial assistance, on terms and conditions satisfactory to the Executive Director, Housing Secretariat, in consultation with the Chief Financial Officer and Treasurer and

General Manager, Shelter, Support and Housing Administration, in a form approved by the City Solicitor.

8. City Council authorize severally each of the Executive Director, Housing Secretariat and the General Manager, Shelter, Support and Housing Administration to execute, on behalf of the City, any security or financing documents or any other documents required to facilitate the funding process, including any documents required by the developers of the developments described in Chart A in the Financial Impact section of this Report, or their related corporations to complete pre-development activities, construction and secure conventional financing, where required, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the municipal housing facility agreement, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by Council.

9. City Council authorize the General Manager, Shelter, Support and Housing Administration, in consultation with the Executive Director, Housing Secretariat, to make any necessary future budget adjustments to accommodate the funds approved in this report from the Development Charges Reserve Fund for Subsidized Housing.

## **FINANCIAL IMPACT**

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This report recommends that City Council allocate up to \$10,899,200 in City funding in the form of capital grants as summarized in Chart A below, and \$100,000 City grant funding in pre-development assistance, as summarized in Chart C below, from the Development Charges Reserve Fund for Subsidized Housing (XR2116) (the "DCRF"). These capital costs will not be incurred in the 2021 budget year; however, they will be included in future year budget submissions for consideration through the budget process.

In addition, this report recommends approximately \$64.77 million in financial incentives under the terms of the Open Door Program. The capital funding and incentives are recommended to support the creation of up to 971 affordable rental homes in fifteen housing developments, as summarized in Chart A below.

In response to the 2020 Call for Applications, a number of applications were made requesting capital grants for which DCRF funding is not available. The total capital grant funding requested through these applications was approximately \$12 million. However, in order to provide City support and advance these projects, City incentives are recommended to support the advancement of these projects.

The number of homes and incentive amounts in this report are based on best available data at this time. Built form and final commitments will be determined through, development review and community consultation processes, and Canada Mortgage and Housing Corporation program support.

## Capital Funding

In addition to the above incentives, \$10.99 million from the Development Charges Reserve Fund for Subsidized Housing (XR2116) (the "DCRF") in direct capital assistance and pre-development funding is recommended.

The DCRF is an important funding source to support new affordable rental homes. The City's capital funding contributions will supplement equity contributions from the applicants. The capital contributions specified above will flow through the Housing Secretariat's operating budget supports the objective of Creating New Rental Housing Responsive to Residents' Needs detailed in the HousingTO 2020-2030 Housing Action Plan. As earlier mentioned, capital funding for these projects are anticipated commencing in 2022 and will be included in Housing Secretariat's operating budget submission for consideration through the budget process.

The Housing Secretariat will report to Council on a per project basis should the estimated value of incentives exceed the amounts approved by Council through this report.

**Chart A: Summary of Financial Details of all Recommended Developments**

	Organization/ Company Name	Project Address	Ward	Affordable Homes	Capital Funding Request	Estimated Fees & Charges Exemptions	Estimated Net Present Value of Property Tax Exemption
1)	1953083 Ontario Inc.	880-884 Kingston Rd.	19	50	-	\$2,055,299	\$1,089,413
2)	Brenyon Way Charitable Foundation	25 Sewells Rd.	25	202	\$2,020,000	\$9,951,942	\$5,683,909
3)	Community Affordable Housing Solutions (CAHS)	355 Coxwell Av.	19	33	\$3,135,000	\$1,818,620	\$991,024
4)	Lifestyle Custom Homes Inc. & Community Affordable Housing Solutions (CAHS)	144 Galloway Rd.	24	120	-	\$5,188,014	\$2,315,996
5)	L'Arche Toronto Homes Inc.	130 River St.	13	8	\$475,000	-	\$74,171
6)	873815 Ontario Limited (Mahogany Management)	1552 Weston Rd.	5	48	\$1,699,200	\$1,992,754	\$917,154
7)	Na Me Res (Native Men's Residence)	230 Coxwell Av.	14	20	\$1,200,000	\$877,423	\$372,719

	<b>Organization/ Company Name</b>	<b>Project Address</b>	<b>Ward</b>	<b>Affordable Homes</b>	<b>Capital Funding Request</b>	<b>Estimated Fees &amp; Charges Exemptions</b>	<b>Estimated Net Present Value of Property Tax Exemption</b>
8)	Norris Crescent Housing Co- operative Inc.	7-9 Norris Cr.	3	33	-	\$1,715,281	\$771,876
9)	Reena	155-165 Elm Ridge Dr.	8	81	-	\$3,550,617	\$1,919,114
10)	The Scott Mission	502-508 Spadina Av.	11	129	-	\$5,388,738	\$2,344,187
11)	St. Jude's Community Homes	393 Dundas St. E.	13	12	\$1,000,000	\$548,105	\$261,459
12)	St. Stephen's Presbyterian Church	3817 Lawrence Av. E.	24	111	-	\$5,520,381	\$3,113,027
13)	Thistledown Residential Inc.	930 Albion Rd.	5	60	-	\$1,351,720	\$592,328
14)	Wigwamen Inc.	525 Markham Rd.	24	62	\$1,240,000	\$2,765,721	\$1,362,346
15)	Wigwamen Inc.	34 Kessack Ct.	25	2	\$130,000	\$184,244	\$49,117
<b>Subtotals</b>				<b>971</b>	<b>\$10,899,200</b>	<b>\$42,908,859</b>	<b>\$21,857,840</b>
<b>Incentives Total</b>						<b>\$64,766,699</b>	

### Financial Incentives

City financial incentives represent relief from development charges, building permits, parkland levies, and planning fees and municipal property taxes. The combined average of these incentives for the developments recommended in this report is \$66,701 per home, for a total of approximately \$64.77 million. These incentives are not a direct capital payment from the City but rather foregone revenues that the City waives or forgives under the Open Door Program. Values are based on 2020 tax rates, 2020 AMR rates, Nov 2020 DC rates, 2020 building permit fees, 2021 planning fees.

A portion of the site of the project at 880-884 Kingston Road was approved in 2019 by Council to receive incentives for up to 30 affordable homes. The value of the foregone revenues at that time was \$1.46 million. The figures in Chart B include these previously approved contributions.

Municipal property tax relief is recommended for the affordability term of the rental homes and the total value of the City incentives includes an estimated net present value of these taxes for the affordability period. Ongoing municipal property tax exemption is conditional upon compliance with the terms and conditions of the City's Contribution Agreement by each proponent over the affordability period.

The value of annual property tax exemptions associated with these developments is estimated at \$802,446 at current 2021 rates. The net present value over the various agreement terms of the developments (from a minimum of 40 years to 99 years), included in Chart B below, and is estimated at \$22.51 million.

**Chart B: Annual and Net Present Value of Property Taxes for Recommended Developments**

	Organization/ Company Name	Agreement Term (yrs)	Property Tax	City	Education	City Building	Total
1)	1953083 Ontario Inc.	99	Annual	\$25,350	\$8,810	\$373	\$34,533
			NPV	\$799,715	\$277,938	\$11,761	\$1,089,413
2)	Brenyon Way Charitable Foundation	50	Annual	\$132,262	\$45,967	\$1,945	\$180,173
			NPV	\$4,172,438	\$1,450,112	\$61,360	\$5,683,909
3)	Community Affordable Housing Solutions (CAHS)	99	Annual	\$23,060	\$8,014	\$339	\$31,414
			NPV	\$727,490	\$252,835	\$10,698	\$991,024
4)	Lifestyle Custom Homes Inc. (LCH) & Community Affordable Housing Solutions (CAHS)	40	Annual	\$73,551	\$25,562	\$1,082	\$100,196
			NPV	\$1,700,124	\$590,871	\$25,002	\$2,315,996
5)	L'Arche Toronto Homes Inc.	99	Annual	\$1,726	\$600	\$25	\$2,351
			NPV	\$54,448	\$18,923	\$801	\$74,171
6)	873815 Ontario Limited (Mahogany Management)	40	Annual	\$29,127	\$10,123	\$428	\$39,678
			NPV	\$673,263	\$233,990	\$9,901	\$917,154

	<b>Organization/ Company Name</b>	<b>Agreement Term (yrs)</b>	<b>Property Tax</b>	<b>City</b>	<b>Education</b>	<b>City Building</b>	<b>Total</b>
7)	Na Me Res (Native Men's Residence)	40	Annual	\$11,837	\$4,114	\$174	\$16,125
			NPV	\$273,605	\$95,090	\$4,024	\$372,719
8)	Norris Crescent Housing Co- operative Inc.	50	Annual	\$22,022	\$7,654	\$324	\$29,999
			NPV	\$566,618	\$196,925	\$8,333	\$771,876
9)	Reena	99	Annual	\$44,657	\$15,520	\$657	\$60,834
			NPV	\$1,408,781	\$489,615	\$20,717	\$1,919,114
10)	The Scott Mission	50	Annual	\$66,880	\$23,244	\$984	\$91,108
			NPV	1,720,818	\$598,063	\$25,306	\$2,344,187
11)	St. Jude's Community Homes	99	Annual	\$6,084	\$2,114	\$89	\$8,288
			NPV	\$191,932	\$66,705	\$2,823	\$261,459
12)	St. Stephen's Presbyterian Church	40	Annual	\$72,438	\$25,176	\$1,065	\$98,679
			NPV	2,285,207	\$794,214	\$33,606	\$3,113,027
13)	Thistledown Residential Inc.	40	Annual	\$39,636	\$13,775	\$583	\$53,994
			NPV	916,182	318,415	13,473	1,248,070
14)	Wigwamen Inc. (525 Markham Rd.)	50	Annual	\$38,868	\$13,508	\$572	\$52,948
			NPV	\$1,000,069	\$347,570	\$14,707	\$1,362,346
15)	Wigwamen Inc. (34 Kessack Ct.)	40	Annual	\$1,560	\$542	\$23	\$2,125
			NPV	\$36,056	\$12,531	\$530	\$49,117
<b>Totals</b>			<b>Annual</b>	<b>\$589,058</b>	<b>\$204,723</b>	<b>\$8,663</b>	<b>\$802,446</b>
			<b>NPV</b>	<b>\$16,526,745</b>	<b>\$5,743,797</b>	<b>\$243,042</b>	<b>\$22,513,582</b>

### **Pre-development Funding**

Two non-profit applicants whose proposals are recommended for incentives are also recommended to receive up to \$50,000 each in pre-development funding from the

DCRF, for a total of \$100,000. This financial support from the City will enable the groups to continue to advance their proposals and resolve issues identified by staff during the review and evaluation process. These two non-profit proponents and sites are included in Chart C.

**Chart C: Projects Recommended for Pre-Development Funding**

Organization/Company Name	Project Address	Ward	Proposed Affordable Homes	Pre-development Funding
Norris Crescent Housing Co-operative Inc.	17-19 Norris Cr.	3	33	\$50,000
Reena	155-165 Elm Ridge	8	81	\$50,000
<b>Totals</b>			<b>124</b>	<b>\$100,000</b>

The DCRF is sufficiently funded to accommodate the transactions proposed in this report. Future year operating budget submissions will include the necessary transfers from the DCRF to support these developments to align with implementation and construction timelines.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

**EQUITY IMPACT STATEMENT**

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The HousingTO 2020-2030 Action Plan envisions a City in which all residents have equal opportunity to develop to their full potential. The Action Plan is also centred on a human rights-based approach to housing, which recognizes that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive, sustainable and liveable communities.

The developments recommended in this report will increase access to affordable housing for Indigenous Peoples, Black people, People of Colour, people experiencing homelessness, people with disabilities, seniors, members of the LGBTQS2+ community, those struggling with mental health and addictions challenges, and addition to low-and moderate-income households across the city.

Safe, secure, affordable housing is an important social determinant of health. It improves the social and economic status of individuals, families and communities. Good quality, affordable housing is also the cornerstone of vibrant, healthy neighbourhoods and supports the environmental and economic health of the city, region and country as a whole.



## **DECISION HISTORY**

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City Council on December 9 and 10, 2015, adopted EX10.18 "Affordable Housing Open Door Program", with amendments, which detailed land, planning and financial actions to enhance the City's ability to deliver affordable housing and achieve its housing targets. Council adopted actions to better utilize surplus public lands and provide financial contributions for new affordable housing from the City's Development Charges Reserve Fund for Subsidized Housing (XR2116).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.18>

City Council on July 12, 13, 14 and 15, 2016, adopted with amendments EX16.26 "Implementing the Open Door Affordable Housing Program" which provided financial and implementation details regarding the Program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.26>

City Council on October 2 and 3, 2019, adopted PH8.3 "Open Door Program Call for Applications 2019: Support for 651 New Affordable Rental Homes". Through this item City Council directed that future support to not-for-profit providers be at least equal to the support to for-profit providers. The recommended developments in the current report align with this direction. Among the developments approved for Open Door Program contributions through PH8.3 were 30 apartments at 884 Kingston Road. The owner has now added 880 Kingston Road to the development and the current report recommends Open Door Program contributions for up to a total of 50 affordable homes on the combined parcels.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH8.3>

At its meeting of December 17 and 18, 2019, City Council adopted PH11.5, "HousingTO 2020-2030 Action Plan" and its recommended actions as a strategic framework to guide the City's programs, policies and investments on housing and homelessness needs over the next ten years.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.5>

## **COMMENTS**

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## ***Open Door Affordable Housing Program***

The Open Door Program was approved by City Council in December 2015. The program is designed to scale up City efforts by incentivizing the creation of new affordable homes to assist in achieving Toronto's housing targets.

This report represents the results of the fourth annual Open Door Program Call for Applications. Since 2016, a total of 10,172 affordable rental homes have been approved under the Program. Subject to adoption by Council of the recommendations contained in this report, a total number of 11,143 affordable homes will have been approved through the Open Door Program city-wide.

## ***HousingTO 2020-2030 Action Plan***

The City's HousingTO 2020-2030 Action Plan proposes a number of actions to address critical needs across the full housing continuum - from homelessness to rental and ownership housing. The HousingTO 2020-2030 Action Plan also sets a target of approving 40,000 new affordable rental homes by 2030, including 18,000 supportive housing units for vulnerable and marginalized people.

The Open Door Program is a key program to help the City meet its targets under the HousingTO 2020-2030 Action Plan. Of the 971 new affordable rental homes approved, 412 are intended to be supportive housing, meaning that future residents will have access to wraparound supports. Through these projects, the City will leverage partnerships to help residents access housing that is affordable and suitable to their needs, while being connected to appropriate levels of care and social services to maintain this housing.

## ***2020 Call for Applications Summary***

The financial contributions available from the City through the Open Door Program include capital funding as well as fees, charges and property tax exemptions to support new affordable rental homes.

Affordable rental housing in this Call for Applications was defined, according to the Official Plan, as new housing where the total monthly shelter cost (gross monthly rent, including heat, hydro and hot water, excluding parking and internet/cable charges) is at or below 100% of Toronto's average market rent (AMR) by unit type (number of bedrooms), as reported in the fall of each year by Canada Mortgage and Housing Corporation.

The rental homes recommended in this report will be affordable to a range of households of varying incomes and sizes. Bachelor or studio apartments will be affordable for households with incomes ranging from \$21,000 to \$55,000; one bedroom apartments for households with incomes between \$42,000 and \$69,000; and two bedroom apartments for households with incomes of \$46,000 to \$80,000. 20% of the homes will be targeted towards lower income households in receipt of housing benefits to further reduce rents and deepen affordability. Subject to Council approval through the

annual budget process, the Shelter, Support and Housing Administration Division's 2022 budget will include funding for an estimated 195 housing benefits to meet the 2020 Open Door minimum housing benefit requirements.

In approving the recommended 2019 Open Door Program applications, City Council directed that future support to not-for-profit providers be at least equal to the support to for-profit providers. The applications recommended in this report are in line with this direction, with non-profit developments representing 11 out of 15 sites and 693 out of 971 homes.

The below program modifications were made for the 2020 Call for Applications:

- The minimum affordability period was increased to 40 years from 30 years;
- The requirement for affordable gross floor area was increased from 20% to 50%; and,
- Affordability details, including depth and length of affordability, and opportunities to serve priority equity-deserving populations identified in the HousingTO 2020-2030 Action Plan, were given more weight in the evaluation.

Further program updates, proposed to be implemented in 2021, are described in this report below.

The Open Door Program requires approved organizations to develop an Access Plan and follow the City's requirements for tenant selection, income verification, regular reporting, and overall administration of the affordable rental homes. Future residents will be chosen through the City's Housing Access System.

Although approval under the Open Door Program provides City financial support for the development of the proposed housing, all applications are subject to the applicable planning and/or building permit approval processes.

### ***Summary of 2020 Applications***

In total, 24 applications were submitted to the City through the 2021 Call for Applications, of which two were deemed ineligible for failing to meet program guidelines.

The remaining 22 applications were evaluated by an interdivisional review committee of staff from the Housing Secretariat, City Planning, Shelter Support & Housing Administration, and Corporate Finance, with input from Legal Services.

Applications were assessed on the basis of criteria outlined in the Call for Applications, which included: affordability details (including length and level/depth of affordability and size and mix of units), development and management qualifications and plans, housing design and development schedules, corporate financial viability and capital and operating budgets.

## ***Value-for-Money and Financial Feasibility Analyses***

The recommended proposals were analyzed using a value-for-money tool developed by a third-party firm to ensure that the City is getting good value for its investments. The review of projects recommended in this report concluded that all proposals represent good value-for-money to the City. The review also highlights how the City's contributions are required to make the affordable housing projects financially viable.

To test the viability of the developments, the budgets submitted by applicants were compared to industry benchmarks. The comparison illustrated whether applicants' cost assumptions differed from industry standards. Any significant variances from benchmarks were investigated and clarified by Housing Secretariat staff to determine if they were justified.

Another key financial viability indicator used in rental housing development is a debt service ratio. This calculation illustrates whether a project's regular operating income (generated primarily by rents) is sufficient to pay back the construction financing required to build the development. The federal government, through Canada Mortgage and Housing Corporation (CMHC), currently provides low-cost financing and/or grant contributions for affordable rental housing through programs under the National Housing Strategy. Analyses completed found that CMHC support was central to the financial sustainability of the proposals and their ability to maintain a healthy debt service ratio. Housing Secretariat staff will work with CMHC and the recommended developers to help secure CMHC program contributions, to the extent possible.

## ***Review of Recommended Developments***

### **1. 1953083 Ontario Inc. - 880-884 Kingston Road**

This proposed development will create a new mixed-use building including up to 50 affordable rental homes located above an existing restaurant. It is proposed that the Fred Victor Centre, a support services agency, will head lease the apartments.

The self-contained studio apartments will be provided to single persons referred from shelters and social services agencies. With the support and programming provided by Fred Victor, these homes will serve as transitional but permanent housing for individuals who have experienced homelessness. This project is being recommended for an estimated \$3,144,712 in City incentives.

Zoning By-law Amendment and Site Plan Control applications are required to be submitted for the proposal. Construction is projected to start in March 2022 and be completed in July 2023.

### **2. Brenyon Way Charitable Foundation - 25 Sewells Road**

The applicant is a non-profit housing operator that proposes to develop an eight- and twelve-storey building consisting of 202 dwelling units for low and moderate income households.

Rents are proposed to be at a building-wide average of 91% of average market rent and the applicant is requesting 50 housing allowances to deepen affordability for 25% of the new residents. The applicant is targeting 10-12 units as fully accessible, intended for people with physical disabilities. This project is recommended for \$2,020,000 in capital funding and an estimated \$15,683,909 in City incentives.

A Zoning By-law Amendment and Site Plan Control Application are required to be submitted for the proposal. Construction is expected to start in March 2022, with completion scheduled for December 2023.

### **3. Community Affordable Housing Solutions (CAHS) - 355 Coxwell Avenue**

The applicant is a new non-profit housing trust formed by three experienced affordable housing organizations: the Co-operative Housing Federation of Canada, St. Clare's Multifaith Housing and Habitat for Humanity GTA. The trust proposes to develop a six-storey, 33-unit housing co-operative. CAHS will own the property and a new co-operative will be formed to operate the building.

Monthly housing charges (rents) are proposed to be 80% of average market rent and the affordability period will be secured for a period of 99 years. The proposed building will integrate green building design and achieve Toronto Green Development (TGS) Standard 2018 V.3.0 Tier 2. Twenty-five of the 33 units will be fully-accessible. This project is recommended for \$3,135,000 in capital funding and an estimated \$2,809,644 in City incentives.

Approval of a Site Plan Control application and Minor Variance(s) will be required. Construction is projected to begin in October 2021, with scheduled completion in November 2023.

### **4. Lifestyle Custom Homes Inc. & Community Affordable Housing Solutions (CAHS) - 144 Galloway Road**

The applicants are a private sector developer who owns the property and a non-profit housing trust, which is also the developer of project #3 above. As co-proponents, the groups plan to deliver 120 units of affordable housing at this site.

The proposed project is a 10-storey building consisting of 165 rental units, of which approximately 72% will be affordable. The applicants plan to have St. Clare's Multi-faith Housing Society, an experienced affordable housing operator and member of the housing trust, manage the building. This project is being recommended for an estimated \$7,504,010 in City incentives.

Approval of a Site Plan Control application and Zoning By-law Amendment or Minor Variance(s) will be required. Construction is projected to begin in November 2021, with scheduled completion in January 2024.

## **5. L'Arche Toronto Homes Inc. - 130 River Street**

The applicant is a supportive housing and service provider for individuals living with developmental disabilities that is proposing to acquire a large custom-designed unit in a 33 storey condo building.

The applicant proposes a congregate living project where those providing and receiving support services live together in one large unit, comprised of eight separate dwelling rooms. This project is being recommended for \$475,000 in capital funding and an estimated \$74,171 in City incentives.

The project will have an affordability period of 99 years and an average market rent of 51%. This project is under construction, with anticipated occupancy in January 2022.

## **6. 873815 Ontario Limited (Mahogany Management) - 1552 Weston Road**

The applicant is a private property management and development company and is proposing an eight-storey building consisting of 48 units of affordable housing.

The building will consist of one-bedroom units, with an affordability period of 40 years and a building average of 98% average market rent. This project is being recommended for \$1,699,200 in capital funding and an estimated \$2,909,908 in City incentives.

Working with an experienced non-profit housing provider, this project will house City priority population groups, specifically seniors, persons with disabilities, persons experiencing homelessness and persons with a history of mental illness. Provision of support services and rent supplements for a number of these units will deepen affordability for tenants.

Approval of a Zoning By-law Amendment or Minor Variance(s) will be required, as well as a Site Plan Control application. Construction is projected to begin in March 2022, with occupancy schedule for November 2023.

## **7. Na Me Res (Native Men's Residence) - 230 Coxwell Avenue**

The applicant, a non-profit housing provider and charitable organization providing shelter and support services to Indigenous men, is proposing to develop a four-storey building consisting of 20 units to serve residents transitioning out of emergency shelters.

The building will consist of bachelor and one-bedroom units, with an affordability period of 40 years and a building average of 89% average market rent. Rent supplements are anticipated to provide deeper affordability for tenants. This project is being recommended for \$1,200,000 in capital funding and an estimated \$1,250,142 in City incentives.

Approval of a Site Plan Control application and Minor Variance(s) will be required. Construction is projected to begin in March 2022, with scheduled completion in February 2023.

## **8. Norris Crescent Housing Co-operative Inc. - 7-9 Norris Crescent**

The applicant, a co-operative housing organization, is proposing to redevelop two existing walk-up buildings as an eight-storey, 43 unit apartment building, resulting in a net increase of 33 units.

The building will consist of one-bedroom, two-bedroom, and three-bedroom units, with an affordability period of 50 years, and a building average of 83% average market rent. Available, additional rent supplements will be sought. This project is being recommended for \$50,000 in pre-development funding and an estimated \$2,487,157 in City incentives.

Approval of a Zoning By-law Amendment and Site Plan Control application will be required. Construction is projected to begin in September 2022 with scheduled completion by December 2023.

## **9. Reena - 155-165 Elm Ridge Drive**

The applicant, a supportive housing provider, is proposing to redevelop a 16 storey building incorporating 81 affordable rental homes with market rental housing.

The affordable portion of the building will consist of bachelor, two-bedroom, three-bedroom, and four-bedroom units, with an affordability period of 99 years and a building average of 79% average market rent. This project is being recommended for an estimated \$5,469,731 in City incentives.

Approval of a Zoning By-law Amendment and Site Plan Control application will be required. The projected construction start date is March 2022 with scheduled completed in August 2025.

## **10. The Scott Mission - 502-508 Spadina Avenue**

The applicant, an experienced shelter operator, is proposing to redevelop their existing shelter building into a multi-service nine-storey building including 129 units of affordable housing over six storeys. The affordable housing is intended to serve as supportive housing for street-involved individuals leaving the shelter system.

The affordable housing portion of the building will consist of bachelor, one-bedroom, and two-bedroom units, with an affordability period of 99 years and a building average of 67% average market rent, with some rents deeply affordable at 40% average market rent. This project is being recommended for an estimated \$7,732,925 in City incentives.

Approval of a Zoning By-law Amendment and Site Plan Control application will be required. The projected construction start date is December 2022 with scheduled completion in July 2025.

## **11. St. Jude's Community Homes - 393 Dundas Street East**

The applicant, a non-profit supportive housing provider, is proposing a four-storey building consisting of 12 supportive housing units, with retail located at-grade. The building is designed to meet the needs of low-income single adults living with an addiction or mental health issue.

The building will consist of bachelor or studio units, with an affordability period of 99 years and a building average of 43% average market rent. An operating subsidy will be provided by the Ontario government to support resident services. This project is being recommended for \$1,000,000 in capital funding and an estimated \$809,564 in City incentives.

Approval of a Site Plan Control application and Minor Variance(s) will be required. Construction is projected to begin in July 2022, with scheduled completion in August 2023.

### **12. St. Stephen's Presbyterian Church - 3817 Lawrence Avenue East**

The applicant, a new non-profit housing provider, will be established to manage the 111 affordable housing units to be built on this redeveloped church property.

The building will consist of one-bedroom, two-bedroom and three-bedroom units, with an affordability period of 99 years and a building average of 92% average market rate.

Approval of a Zoning By-law Amendment and Site Plan Control applications will be required. Construction is projected to begin October 2021, with scheduled occupancy in June 2023.

### **13. Thistledown Residential Inc. - 930 Albion Road**

The applicant is proposing a low-rise building comprised of up to 60 affordable units, with commercial uses located at-grade.

The affordable units will include one-bedroom, two-bedroom and three-bedroom units, with an affordability period of 99 years and a building average of 70% average market rent. This project is being recommended for an estimated \$8,633,408 in City incentives.

Approval of a Zoning By-law Amendment or Minor Variance(s) and Site Plan Control application will be required. Construction is projected to begin in September 2021, with scheduled completion in November 2022.

### **14. Wigwamen Incorporated - 525 Markham Road**

The applicant, a non-profit Indigenous housing provider, is proposing a six-storey building consisting of 62 units, complementing an existing adjacent social housing building. Provision of staff and support services will benefit from the proximity to the applicant's existing building on this site.



The new building will consist of one-bedroom units, with an affordability period of 50 years and rents at 75% of average market rent. Additional rent supplements have been requested to deepen affordability for tenants. This project is being recommended for \$1,240,000 in capital funding and an estimated \$4,128,067 in City incentives.

Approval of a Zoning By-law Amendment and Site Plan Control application will be required. Construction is scheduled to begin in September 2022 and be completed in May 2023.

### **15. Wigwamen Incorporated - 34 Kessack Court**

The applicant, a non-profit Indigenous housing provider, is proposing a single detached building consisting of two dwelling units on a surplus Toronto Community Housing site.

The homes will both be three-bedroom units and are intended to serve Indigenous families. The affordability period is proposed to be at least 40 years and rents will be set at 42% of average market rent. This project is being recommended for \$130,000 in capital funding and an estimated \$233,361 in City incentives.

Building Permits only will be required for this development and the construction period is forecast to begin in April 2021 and be completed by December 2021.

Appendix 2 provides the planning application(s) required to complete the 15 Open Door projects recommended by this report, as well as the projected development schedule as reported by the applicants.

### **Previous Open Door Call for Applications Approvals**

The Open Door Program Call for Applications has taken place annually since 2017, making 2020 the fourth year the program has existed in its current form. Appendix 1 provides a summary of projects previously approved.

### ***Enhancements to the 2021 Open Door Program***

In order to continue to build on the success of the Open Door Program and meet the increased annual targets set out in the HousingTO 2020-2030 Action Plan, a number of program changes are proposed to be implemented in 2021. These changes address the following objectives:

- Increasing the number of affordable homes approved;
- Providing greater support to the non-profit housing sector; and
- Aligning the Open Door Program with CMHC's programs so that projects are better able to secure federal investments to increase financial viability.

The following key changes are proposed for implementation in 2021:

- Planning fee relief for non-profit housing providers will be provided on a simplified, continuous application basis;
- A new streamlined and continuous application process will be made available to non-profit and private sector applicants to receive incentives-only support (also available via City Planning approvals reports when Section 37 contributions provide for affordable housing);
- The annual Call for Applications for developments will be continued for those requesting capital funding and will be available to all applicants;
- The target for affordable gross floor area will be 30% of the overall development reflecting industry feedback; and
- Approved projects must begin construction within 3 years of the date of approval in order to maintain access to the capital grant and/or incentives

## **Conclusion**

Since the launch of the Open Door Program in 2016, the City has been able to significantly scale up the delivery of new affordable rental homes in neighbourhoods across Toronto. Over 10,150 affordable homes have been supported with Open Door contributions to-date, including those approved under related programs such as the Housing Now Initiative. Of these, 20 active projects representing 1,273 units have been approved through the Open Door annual Call for Applications. Subject to approval of this report by Council, the total number of affordable homes supported by the Open Door Program will be some 11,120 homes across the city.

In the context of Toronto's challenging housing market, these homes will help low-income households, including racialized groups, seniors, and essential workers, who have been disproportionately impacted by the ongoing COVID-19 pandemic, access safe, secure, affordable housing. These new developments will also help create more inclusive, mixed-income communities in neighbourhoods across the city as envisioned in Toronto's HousingTO 2020-2030 Action Plan.

## **CONTACT**

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## **SIGNATURE**

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Abigail Bond  
Executive Director, Housing Secretariat

## **ATTACHMENTS**

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**Appendix 1 – Previous Open Door Call for Applications Approvals**

**Appendix 2 – Overview of Recommended Projects**

## Appendix 1 - Previous Open Door Call for Applications Approvals

	Year of Open Door Approval	Project Address	Affordable Homes	Construction Status	Projected Occupancy
1)	2017	5365 Dundas St W.	50	Construction in progress	Q1 2022
2)	2017	25 Leonard Ave.	22	Completed	Occupied
3)	2017	30 Cosburn Ave.	6	Completed	Occupied
4)	2017	136 Kingston Rd.	24	SPA under review	Q1 2022
5)	2017	355-363 Coxwell Ave.	33	SPA pending	Resubmitted
6)	2017	1750 Ellesmere Rd.	150	Minor Variance Appealed	Q1 2023
7)	2017	2140 Bloor St. W. (Phase 1)	13	N/A	Cancelled
8)	2018	2140 Bloor St. W. (Phase 2)	13	N/A	Cancelled
9)	2018	2667-2677 Kipling Rd.	120	ZBLA under review	Q3 2024
10)	2018	620 Martingrove Rd. and 7, 21 Richgrove Dr.	100	SPA under review	Q4 2024
11)	2018	2346 Weston Rd.	127	Under construction	Q3 2022
12)	2018	82 Buttonwood Ave. (Phase I)	76	SPA pending	Q2 2023
13)	2018	2 Main St. and 650 Kingston Rd.	12	Construction in progress	Q4 2021
14)	2018	419-425 Coxwell Ave.	12	SPA under review	Q3 2021
15)	2018	80 Dale Ave.	116	ZBLA under review	Q2 2024
16)	2019	685 Queen St. E.	26	SPA under review	Q4 2022
17)	2019	2217 Kingston Rd.	24	SPA under review	Q4 2022

	<b>Year of Open Door Approval</b>	<b>Project Address</b>	<b>Affordable Homes</b>	<b>Construction Status</b>	<b>Projected Occupancy</b>
18)	2019	591 Finch St. W.	159	SPA under review	Q1 2023
19)	2019	884 Kingston Rd.	30	ZBLA pending	Q1 2022
20)	2019	82 Buttonwood Ave. (Phase II)	106	SPA pending	Q4 2023
21)	2019	989 College St.	17	SPA pending	Q2 2023
22)	2019	3775-4005 Dundas St. W.	63	SPA under review	Q1 2024
	<b>Total</b>		<b>1,273</b>	(Total does not include cancelled project above)	

## Appendix 2 – Overview of Recommended Projects

	Organization/ Company Name	Type of Organization (Private/Non- profit)	Project Address	Ward	Affordable Homes	Affordability Period (years)	Planning Approvals Required	Estimated Construction Start Date	Expected Completion Date
1)	1953083 Ontario Inc.	Private Sector	880-884 Kingston Rd.	19	50	99	Zoning By-law Amendment & Site Plan	03/01/2022	07/31/2023
2)	Brenyon Way Charitable Foundation	Non-profit Sector	25 Sewells Rd.	25	202	99	Zoning By-law Amendment & Site Plan	03/30/2022	12/15/2023
3)	Community Affordable Housing Solutions (CAHS)	Non-profit Sector	355 Coxwell Av.	19	33	99	Site Plan & Minor Variance(s)	10/01/2021	11/01/2023
4)	Community Affordable Housing Solutions (CAHS) & Lifestyle Custom Homes (LCH)	Private/Non-profit Partnership	144 Galloway Rd.	24	120	40	Zoning By-law Amendment / Minor Variance(s) & Site Plan	11/15/2021	01/15/2024
5)	L'Arche	Non-profit Sector	130 River St.	13	8	99	Approved	Under construction	01/01/2022
6)	Mahogany Management	Private Sector	1552 Weston Rd.	5	48	40	Zoning By-law Amendment / Minor Variance(s) & Site Plan	03/15/2022	07/23/2023

	<b>Organization/ Company Name</b>	<b>Type of Organization (Private/Non- profit)</b>	<b>Project Address</b>	<b>Ward</b>	<b>Affordable Homes</b>	<b>Affordabili ty Period (years)</b>	<b>Planning Approvals Required</b>	<b>Estimated Construction Start Date</b>	<b>Expected Completion Date</b>
7)	Na Me Res	Non-profit Sector	230 Coxwell Av.	14	20	40	Site Plan & Minor Variance(s)	03/01/2022	02/01/2023
8)	Norris Co-op	Non-profit Sector	7-9 Norris Cr.	3	33	50	Zoning By-law Amendment / Minor Variance(s) & Site Plan	09/01/2022	12/01/2023
9)	Reena	Non-profit Sector	155-165 Elm Ridge Dr.	8	81	99	Zoning By-law Amendment & Site Plan	03/01/2022	08/01/2025
10)	Scott Mission	Non-profit Sector	502-508 Spadina Av.	11	129	99	Zoning By-law Amendment & Site Plan	12/01/2022	07/01/2025
11)	St. Jude's Community Homes	Non-profit Sector	393 Dundas St. E.	13	12	99	Site Plan & Minor Variance(s)	07/15/2022	08/14/2023
12)	St. Stephen's Church	Non-profit Sector	3817 Lawrence Av. E.	24	111	99	Zoning By-law Amendment & Site Plan	10/10/2021	06/01/2023
13)	Thistledown Residential Inc.	Private Sector	930 Albion Rd.	5	60	99	Zoning By-law Amendment / Minor Variance(s) & Site Plan	08/15/2021	11/15/2022

	<b>Organization/ Company Name</b>	<b>Type of Organization (Private/Non- profit)</b>	<b>Project Address</b>	<b>Ward</b>	<b>Affordable Homes</b>	<b>Affordabili ty Period (years)</b>	<b>Planning Approvals Required</b>	<b>Estimated Construction Start Date</b>	<b>Expected Completion Date</b>
14)	Wigwamen Inc.	Non-profit Sector	525 Markham Rd.	24	62	50	Zoning By-law Amendment & Site Plan	9/01/2022	05/01/2023
15)	Wigwamen Inc.	Non-profit Sector	34 Kessack Ct.	25	2	40	None	04/01/2021	12/01/2021