CREATE TO

REPORT FOR INFORMATION WITH CONFIDENTIAL ATTACHMENT

Housing Now Financial Portfolio Review

Date: April 27, 2021
To: Board of Directors, CreateTO
From: Vice President, Development
Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The Confidential Attachment to this report relates to (i) a proposed or pending disposition of land by the City, and (ii) a position, plan, procedure, criteria or instruction to be applied to negotiations carried on or to be carried on by or on behalf of the City and CreateTO.

SUMMARY

On January 30, 2019, City Council approved a signature affordable housing program, the "Housing Now Initiative," to leverage City-owned land for the purpose of creating new, mixed-use, mixed-income communities near transit. Through the Initiative, 11 properties were initially 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 six more sites to the Housing Now Initiative with the potential to create 1,455 to 1,700 additional 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 the CreateTO Board of Directors with a broad status update on the financial status of the portfolio.

RECOMMENDATIONS

The Vice President, Development recommends that the Board of Directors of CreateTO authorize the public release of the confidential information contained in Confidential Attachment following completion of execution of the Housing Now Initiative, and at the discretion of the Chief Executive Officer.

FINANCIAL IMPACT

There is no additional financial impact to CreateTO arising from the recommendations in this report. Resources required to support this initiative are being allocated from the current staffing complement and are part of the approved operating budget.

Due diligence, marketing and human resource costs are being recovered by CreateTO from the Housing Secretariat in line with current City approved budgets.

EQUITY IMPACT STATEMENT

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

The Housing Now Initiative is a key program under the HousingTO 2020-2030 Action Plan aimed at creating new affordable rental housing within mixed-income, transit rich, complete communities. Creating new affordable housing through the Housing Now Initiative will increase the opportunity for structurally vulnerable and marginalized individuals, including Indigenous Peoples, Black people, people of colour, seniors, women, and members of the LGBTQ2S+ community to access safe, healthy and adequate homes. More housing opportunities for essential workers and families will also be created through the Housing Now Initiative.

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

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

On July 23, 2020 the CreateTO Board of Directors endorsed the revisions to the business case for 705 Warden Ave and directed management to market 705 Warden.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.RA14.5

On December 4, 2020 the CreateTO Board of Directors adopted CreateTO staff recommendations to direct management to negotiate the land lease and other legal agreements with the preferred proponents for 705 Warden Ave.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.RA19.6

On Dec 4, 2020 the CreateTO Board of Directors approved the negotiated agreements for 50 Wilson Heights Boulevard.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.RA19.7

On February 2, 2021 Council adopted the Community Benefits Frameworks applicable to Housing Now.
ttp://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX20.7#

On March 8th the CreateTO Board of Directors approved the negotiated agreements for 777 Victoria Park Avenue.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA21.4

On March 8th the CreateTO Board of Directors approved the negotiated agreements for 705 Warden Avenue.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA21.5

On March 8th the CreateTO Board of Directors approved the business case for 2444 Eglinton Ave E and directed management to release the property to market and retain the services of a fairness monitor and broker.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.RA21.6

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.

The purpose of this report is to provide the CreateTO Board of Directors with a forward look on the financial status of the portfolio.

CONTACT

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SIGNATURE

Salima Rawji
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ATTACHMENTS

Confidential Attachment 1 - Housing Now Financial Portfolio