

City Council

Notice of Motion

MM43.9	ACTION			Ward: 13
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Creating New Affordable Housing with Supports for Indigenous Men at 218 Carlton Street - by Councillor Ana Bailão, seconded by Councillor Mike Layton

** Notice of this Motion has been given.*

** This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.*

Recommendations

Councillor Ana Bailão, seconded by Councillor Mike Layton, recommends that:

1. City Council authorize the Executive Director, Housing Secretariat to provide \$550,000 inclusive of HST and disbursements, from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) to the owner of 55 Charles Street to support the renovation of the property municipally known as 218 Carlton Street to create affordable rental housing for Indigenous men, with such amount to be fully funded from Section 37 (Planning Act Reserve Fund) community benefits received by the City for affordable housing purposes, from the development at 88 Queen Street East, 10 Mutual Street and parts of 30-50 Mutual Street (XR3026-3701156).
2. City Council increase the 2022 Approved Operating Budget for the Housing Secretariat by \$550,000 gross, to be payable to the owner of 55 Charles Street, subject to the following conditions:
 - a. the transfer of the designated funds from XR3026-3701156 to the Capital Revolving Reserve Fund for Affordable Housing (XR1058); and
 - b. the owner of 55 Charles Street East and the City of Toronto entering into a Section 37 amending Agreement referred to in Part 3 below, on terms and conditions satisfactory to the Chief Planner and Executive Director, City Planning and the Executive Director, Housing Secretariat.
3. City Council authorize the Executive Director, Housing Secretariat, in consultation with the Chief Planner and Executive Director, City Planning, to negotiate, and the City Clerk and Chief Financial Officer and Treasurer, City of Toronto to execute, on behalf of the City, a Section 37 amending Agreement with the owner of 55 Charles Street East, to provide a cash contribution of \$550,000 referred to in Part 1 above, to ensure completion of the 218 Carlton Street property for future operation as affordable rental housing for Indigenous men, which renovations shall be completed in advance of the conveyance of the property to the City without further payments from the City and in accordance with the Section 37 Agreement, with the amending

agreement to be in a form satisfactory to the City Solicitor; the agreement will include details respecting a payment schedule as follows:

- a. 30 percent of the contribution to be paid by the City within 30 days of signing the Section 37 amending agreement;
- b. 50 percent of the contribution to be paid by the City within 30 days of 50 percent completion of construction, as confirmed by a quantity surveyor; and
- c. 20 percent of the contribution to be paid by the City within 30 days of completion of construction.

Summary

At its meeting July 17, 18 and 19, 2019, through [Item TE7.15](#), City Council authorized staff to enter into a Section 37 Agreement with MOD Developments (Charles) Inc. and 2690799 Ontario Inc. being the owners of 55 Charles Street East ("MOD"), to secure community benefits which included the transfer of the 218 Carlton Street property ("the Property") to the City, at no cost, for use as affordable rental housing. Prior to the transfer of the Property to the City, MOD is required to complete extensive renovations and make the Property suitable for its intended use. The Property, including the cost of acquisition and renovations, was valued at \$6,400,000. City Council also authorized staff to issue a Request for Proposals to select a non-profit operator to lease 218 Carlton Street from the City for a term of 50 years.

Following the Request for Proposals process, at its meeting March 10, 2021, through [Item PH21.3](#), City Council approved Native Men's Residence to lease and operate the Property to provide affordable rental housing with supports for Indigenous men for a term of 50 years.

Since March 2021, MOD has undertaken extensive pre-construction work in consultation with the City and Native Men's Residence. Building permits were recently issued and it is anticipated construction could start in May and be completed by the third quarter of 2023. However, due to a required redesign of the Property following the Request for Proposals process, in order to make it suitable for Indigenous housing plus unanticipated escalations in the cost of labour and materials, a \$550,000 contribution is required from the City of Toronto to ensure completion of the project.

This Motion recommends City Council approval of a one-time \$550,000 contribution to be provided to the owner of 55 Charles Street East, fully funded by Section 37 (Planning Act Reserve Fund) community benefits received by the City for affordable housing purposes. Approval of this Motion will ensure that 9 self-contained new affordable rental units with supports are created, providing much-needed housing opportunities for Indigenous men who are overrepresented in the City's homeless population.

Background Information (City Council)

Member Motion MM43.9