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## City Council

### Motion without Notice

MM45.51	ACTION			Ward: 11
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**Necessary Amendments to MM 42.39 regarding 556 Bathurst Street due to updated business arrangements - by Councillor Mike Layton, seconded by Councillor Joe Mihevc**

*\* This Motion has been deemed urgent by the Chair.*

*\* This Motion is subject to a re-opening of Item MM42.39. A two-thirds vote is required to re-open that Item. If re-opened, the previous Council decision remains in force unless Council decides otherwise.*

### Recommendations

Councillor Mike Layton, seconded by Councillor Joe Mihevc, recommends that:

1. City Council rescind Parts 1 and 2 of City Council's decision on Item 2022.MM42.39, "Protecting Existing Housing and Creating Permanently Affordable Homes with Supports for Youth at 556 Bathurst Street" adopted by City Council on April 6 and 7, 2022
2. City Council authorize the Executive Director, Housing Secretariat to provide up to \$2,500,000.00 inclusive of Harmonized Sales Tax and disbursements, from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) to Youth Without Shelter Terra House North Toronto Emergency and Referral Agency, and/or a related corporation, under the Multi-Unit Residential Acquisition Program to acquire, renovate and operate the property municipally known as 556 Bathurst Street as affordable rental housing for a minimum of 99 years, subject to:
  - a. the successful acquisition of the property by Youth Without Shelter Terra House North Toronto Emergency and Referral Agency and/or a related corporation by no later than July 31, 2022 or such other date as is acceptable to the Executive Director, Housing Secretariat;
  - b. approval of a business case for the property outlining the management plan, management qualifications and financial viability of the project, satisfactory to the Executive Director, Housing Secretariat; and
  - c. Youth Without Shelter Terra House North Toronto Emergency and Referral Agency, and/or a related corporation entering into a municipal housing facility agreement (the "Contribution Agreement") with the City, on terms and conditions satisfactory to the Executive Director, Housing Secretariat.
3. City Council authorize the Executive Director, Housing Secretariat to provide up to \$50,000.00 inclusive of Harmonized Sales Tax and disbursements, from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) to the Kensington Market Community Land

Trust, and/or a related corporation, for pre-acquisition expenses incurred in relation to due diligence on the property municipally known as 556 Bathurst Street, subject to receipt of actual invoices for direct out of pocket costs incurred in relation to the transaction.

4. City Council authorize the Executive Director, Housing Secretariat to provide up to \$450,000.00 inclusive of Harmonized Sales Tax and disbursements together with any remainder from Part 3 above, from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) to the Kensington Market Community Land Trust, and/or a related corporation to acquire, renovate and operate for a minimum of 99 years an additional affordable rental housing property in Ward 11, University-Rosedale (the "Additional Ward 11 Property"), under the Multi-Unit Residential Acquisition Program, subject to:
  - a. the successful acquisition of the property by Kensington Market Community Land Trust and/or a related corporation by no later than August 31, 2022 or such other date as is acceptable to the Executive Director, Housing Secretariat;
  - b. approval of a business case for the property outlining the management plan, management qualifications and financial viability of the project, satisfactory to the Executive Director, Housing Secretariat; and
  - c. Kensington Market Community Land Trust, and/or a related corporation entering into a municipal housing facility agreement (the "Contribution Agreement") with the City, on terms and conditions satisfactory to the Executive Director, Housing Secretariat.
5. City Council increase the Approved 2022 Operating Budget for the Housing Secretariat by \$3,000,000 gross, to be payable as set out in Parts 2, 3 and 4 above, fully funded by Section 37 (Planning Act Reserve Fund) community benefits for this purpose, received by the City from the following developments:
  - a. 68 and 70 Charles Street East and 628, 634, 636 and 638 Church Street, secured for new or existing affordable housing facilities, in the amount of \$385,225 (Source Account: XR3026-3701165);
  - b. 826-834 Yonge Street and 2-8 Cumberland Street, secured for affordable housing in the amount of \$130,038 (Source Account: XR3026-3701083); and
  - c. 11-25 Yorkville Avenue and 16-18 Cumberland Street, secured for capital improvements for new or existing Toronto Community Housing and/or affordable housing in the amount of \$2,484,737 (Source Account: 220096).
6. City Council authorize the Executive Director, Housing Secretariat to negotiate and enter into a municipal housing facility agreement (the "Contribution Agreement") with Kensington Market Community Land Trust and/or a related corporation, on terms and conditions satisfactory to the Executive Director, Housing Secretariat and in a form acceptable to the City Solicitor, to secure the Additional Ward 11 Property as affordable rental housing for a 99 year term.
7. City Council authorize the Executive Director, Housing Secretariat, or such person's delegates to execute, on behalf of the City, any security or financing documents required by Kensington Market Community Land Trust and/or a related corporation, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the Contribution 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 City Council.

## **Summary**

The purpose of this Motion is to amend item MM42.39, Protecting Existing Housing and Creating Permanently Affordable Homes with Supports for Youth at 556 Bathurst Street, adopted by City Council on April 6 and 7, 2022. The amendments relate to updated business arrangements for the purchase of the existing affordable rental housing property at 556 Bathurst Street.

The original Council Decision anticipated a partnership between the two agencies, Youth Without Shelter Terra House North Toronto Emergency and Referral Agency, and the Kensington Market Community Land Trust, for the purchase and operation of 556 Bathurst Street for permanently affordable rental housing. Item MM42.39 allocated \$3 million in Section 37 (Planning Act Reserve Fund) community benefits funding for the purchase.

The two agencies have now chosen not to pursue the acquisition as a partnership and Youth Without Shelter will purchase 556 Bathurst Street alone. This Motion provides \$2.5 million to Youth Without Shelter to proceed with the purchase 556 Bathurst Street, and \$500,000 to the Kensington Market Community Land Trust for expenses the group has incurred in relation to acquisition of 556 Bathurst Street, and to support the acquisition of an additional affordable rental housing property in Ward 11, University-Rosedale, under the terms of the City's Multi-Unit Residential Acquisition Program. A future report from the Housing Secretariat will inform City Council of the the Kensington Market Community Land Trust's new acquisition and seek relief of property taxes to support long-term affordability of the site.

The original Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.MM42.39>

## **REQUIRES RE-OPENING**

Item MM42.39 (May 11 and 12, Council meeting) only as it pertains to Parts 1 and 2 of City Council's decision.

## **Background Information (City Council)**

MM45.51