

Dundas-Sherbourne Neighbourhood Revitalization - Update

Date: April 11, 2022
To: Planning and Housing Committee
From: Executive Director, Housing Secretariat
Wards: Ward 13 - Toronto Centre

SUMMARY

Given the persistent, systemic and interconnected housing, health, social, economic and safety challenges faced by many residents of 251 Sherbourne Street ("Dan Harrison Community Complex") and the wider Dundas-Sherbourne community, on March 10, 2021, City Council adopted Item [PH21.2](#) and directed the City, Toronto Community Housing ("TCHC") and CreateTO staff to report back to the Planning and Housing Committee with a proposed plan to improve the built-form and the operations of the Dan Harrison Community Complex and to create new supportive housing opportunities to better meet the needs of existing and future residents. Through Item [PH21.2](#), staff were also directed to examine opportunities to fund the acquisition of the properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street, should they become available for purchase.

In response to Council direction and in collaboration with City staff, TCHC retained ERA Architects ("ERA") in July 2021, to undertake a feasibility study and explore revitalization options for improving the Dan Harrison Community Complex. This report provides an update on the feasibility work completed by ERA, which recommends delivering a range of new housing (including a mix of supportive, affordable and market rental housing), as part of any future revitalization of the Dan Harrison Community Complex. It also recommends proceeding with a visioning and master planning exercise for the neighbourhood, beginning with in-depth resident and community consultations. This exercise will build upon ERA Architect's work to-date and previous feedback from TCHC tenants and the wider community.

Further, in tandem with the master planning and visioning exercise, this report recommends Council approval of a specific Downtown East Housing Strategy Framework (Attachment 1) to ensure a full range of housing as part of any future revitalization. It also recommends next steps to develop the full Downtown East Housing Strategy, commencing with robust community and stakeholder engagement. The full Strategy, once developed, will support the City's pivot away from emergency shelters to more permanent housing solutions. It will also focus on creating a more mixed-income,

inclusive and complete community with services and opportunities for a wide range of people to improve their housing, health and socio-economic outcomes. Additionally, the Strategy will support and complement the objectives of the wider [Downtown East 5-Year Action Plan](#) ("Downtown East Action Plan"). An update on the Downtown East Action Plan will be brought forward to the Economic and Community Development Committee in July 2022, and will provide an update on actions and initiatives in the neighbourhood.

This report also directs staff to explore opportunities to deliver at least 40 new supportive housing units as part of the Housing Now Initiative site at 405 Sherbourne Street, plus explore additional opportunities to deliver new affordable and supportive housing on other lands owned by the City and/or City-owned agencies, boards and corporations, and to report back to the Planning and Housing Committee in the fourth quarter of 2023. Lastly, this report provides an update on the City's efforts to secure the properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street for the development of affordable housing.

RECOMMENDATIONS

The Executive Director, Housing Secretariat recommends that:

1. City Council direct the Executive Director, Housing Secretariat, in consultation with the Executive Director, Social Development, Finance and Administration, the Chief Planner and Executive Director, City Planning, the Chief Executive Officer, CreateTO, the General Manager, Shelter, Support and Housing Administration and the President and Chief Executive Officer, Toronto Community Housing Corporation, to undertake a community visioning and master planning exercise to support the future revitalization of the Dan Harrison Community Complex and improvements to the Dundas-Sherbourne neighbourhood, and report back to the Planning and Housing Committee in the fourth quarter of 2023 with the results of the visioning and master planning exercise.
2. City Council approve the Downtown East Housing Strategy Development Framework outlined in Attachment 1, and direct the Executive Director, Housing Secretariat, in collaboration with the Chief Executive Officer, CreateTO, the Chief Planner and Executive Director, City Planning, the Executive Director, Social Development, Finance and Administration, the General Manager, Shelter, Support and Housing Administration and the President and Chief Executive Officer, Toronto Community Housing Corporation, to undertake a robust stakeholder engagement process to develop the full Downtown East Housing Strategy, including engaging tenants, local residents, community agencies, healthcare providers, academic institutions, local religious institutions, the local Business Improvement Area and other orders of government, and to coordinate this work with the Dan Harrison Community Complex and Dundas-Sherbourne neighbourhood master planning and visioning exercise referred to in Recommendation 1 above, and report back to the Planning and Housing Committee with details by the fourth quarter of 2023.
3. City Council authorize the Executive Director, Housing Secretariat to allocate up to \$200,000 in funding, inclusive of the Harmonized Sales Tax and disbursements, from

the Capital Revolving Reserve Fund (XR1058) for the purpose of developing the Downtown East Housing Strategy Development Framework referred to in Recommendation 2 above.

4. City Council increase the Approved 2022 Operating Budget for Housing Secretariat, by \$200,000 gross, \$0 fully net funded from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) to support the activities referred to in Recommendations 1 and 2 above.

5. City Council request the Board of Directors, CreateTO to direct the Chief Executive Officer, CreateTO, in consultation with the Executive Director, Corporate Real Estate Management, the Executive Director, Housing Secretariat, the Chief Planner and Executive Director, City Planning and the President and Chief Executive Officer, Toronto Community Housing Corporation to:

a. explore real estate opportunities for strategic city-building in the Dundas-Sherbourne neighbourhood, including completing feasibility analyses, and report to the Board of Directors, CreateTO with proposed sites; and

b. provide the Executive Director, Housing Secretariat with the list of sites and recommendations to activate the sites, to be included in the report to the Planning and Housing Committee referred to in Recommendations 1 and 2.

6. City Council request the Executive Director, Housing Secretariat, in consultation with the Chief Executive Officer, CreateTO, to explore options to deliver at least 40 new units of supportive housing on the Housing Now Initiative site at 405 Sherbourne Street.

7. City Council direct the Executive Director, Housing Secretariat, in consultation with the Chief Executive Officer, CreateTO, the Executive Director, Social Development, Finance and Administration and the President and Chief Executive Officer, Toronto Community Housing Corporation, to explore federal and provincial funding programs, as well as other partnership opportunities to support the a future revitalization of the Dan Harrison Community Complex and improvements to the wider Dundas-Sherbourne neighbourhood, including adding new affordable and supportive housing, and report back to the Planning and Housing Committee in the fourth quarter of 2023.

FINANCIAL IMPACT

This report recommends the provision of up to \$200,000 in pre-development funding, inclusive of HST and disbursements, to support the visioning and master planning work and the development of a Downtown East Housing Strategy, fully funded from the Capital Revolving Reserve Fund for Affordable Housing CRRF-(XR1058).

Development of the master plan and Downtown East Housing Strategy will set a long-term vision and support future improvements to the Dan Harrison Community Complex and surrounding neighbourhood. This use is consistent with the purpose of the CRRF and the uncommitted balance in the reserve fund is able support this request. Any future financial impacts to the City resulting from the Downtown East Housing Strategy

and larger master planning and visioning work proposed to be undertaken will be reported to Council for consideration as part of future budget processes.

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

EQUITY IMPACT

The [HousingTO 2020-2030 Action Plan](#) ("HousingTO Plan") envisions a city in which all residents have equal opportunity to develop to their full potential. It 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. Providing stable affordable housing with appropriate social support services is also a goal of the [Poverty Reduction Strategy](#).

Toronto's Downtown East (DTE), including the Dan Harrison Complex, is home to many vulnerable and marginalized residents who experience disproportionately high rates of poverty, violence, crime and poor housing conditions. The recommendations in this report are intended to help address these issues by advancing work to improve living conditions for residents. Creating new affordable housing with appropriate supports will increase the opportunity for systemically and structurally vulnerable and marginalized individuals, including Indigenous Peoples, Black and other racialized people, seniors, women and gender diverse people and 2SLGBTQ+ persons to access safe, healthy and adequate homes.

Safe, secure, affordable housing is a key determinant of health. It also improves social and economic outcomes for individuals, families and communities. Furthermore, good quality, affordable housing is 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 April 6, 2022, City Council adopted Item EX31.4 – "Strategic Acquisition of 214 to 230 Sherbourne Street to Support City-Building." The report provided City Council, through a Confidential Attachment, with details on the City's non-binding offer and the outcome to acquire the properties at 214-230 Sherbourne St. The item directed staff to establish a pre-application working group with community stakeholders for the pending development of 214-230 Sherbourne Street and adjacent properties to establish terms of reference and to identify affordable housing priorities for the site.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX31.4>

On February 17, 2022, City Council adopted Item EX30.2 - "2022 Capital and Operating Budgets", and directed staff to report to the March 9, 2022 meeting of City Council after reviewing the feasibility of leveraging the 214-230 Sherbourne Street property with the intention to achieve Dan Harrison Revitalization and Housing Now objectives and explore available Section 37, Land Acquisition Fund, and other Provincial and Federal

government affordable housing funding, and subject to funding availability to seek authority and necessary capital budget adjustments to submit an Offer to Purchase at the appraised market valuation for the lands at 214-230 Sherbourne Street.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX30.2>

On March 10, 2021, City Council adopted Item PH 21.2 - "Activating a Revitalization Plan for the Dundas Sherbourne Neighbourhood," and directed Toronto Community Housing Corporation to undertake due diligence to identify the financial and operational implications related to the full redevelopment of the Dan Harrison Community Complex. The report also directed staff to pursue funding opportunities and acquisition or expropriation of the properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street for the purpose of building deeply affordable and supportive housing.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH21.2>

On December 17, 2019, City Council adopted Item PH11.10 - "Activating a Revitalization Plan for the Dundas Sherbourne Neighbourhood", and directed staff to report to the Planning and Housing Committee on April 16, 2020 with a proposed neighbourhood revitalization plan for the Dundas East and Sherbourne Street area, including a business case for the modernization of the Dan Harrison Community Complex, and to examine opportunities to fund the acquisition of the Properties and the properties at 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.10>

On July 16, 2019, City Council adopted Item EC6.16 - "Downtown East 2023 Five-Year Action Plan," which included a comprehensive five-year Action Plan to coordinate City services and address long term community needs in the Downtown East area, where Dan Harrison is located.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC6.16>

On April 16, 2019, City Council adopted Item MM6.13 - "The Dan Harrison Community Complex Master Plan", which directed staff to work with Toronto Community Housing Corporation on a renewed comprehensive strategy for the Dan Harrison Community Complex.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM6.13>

COMMENTS

Existing Policy Direction and Context

Any planning and future revitalization of the Dan Harrison Complex and improvements to the wider Dundas-Sherbourne neighbourhood will be guided by Official Plan policies, including the Downtown Secondary Plan, Garden District Site and Area-Specific Policy, and the Garden District Heritage Conservation District. The following policies, strategies and previous Council directions will also be considered.

The 2023 Downtown East Action Plan

In July 2019, City Council adopted The 2023 Downtown East Action Plan to coordinate City services and address long-term community needs in the area. The Downtown East area is bounded by Bloor Street on the north, Front Street on the south, Bay Street on the west, and the Don Valley Parkway on the east. The Action Plan was designed to address a number of complex challenges in the area related to poverty, homelessness, housing, community safety, mental health and substance use, particularly opioid-related overdoses.

Dundas-Sherbourne Neighbourhood Revitalization Plan

In December 2019, City Council directed staff to propose a Neighbourhood Revitalization Plan, including a full community engagement process for the Dundas East and Sherbourne area. The intended scope of the engagement is to look at overall community needs, with a specific focus on the modernization of the Dan Harrison Community Complex. The intent of the Neighbourhood Revitalization Plan is to address community safety and social cohesion issues, which are longstanding and complex. Because of this complexity, a longer term vision for the area is also needed to facilitate partnership between diverse stakeholders in the area, guide City investment and advance intergovernmental advocacy.

The Neighbourhood Revitalization Plan includes two components:

- Community Development Plan, the development of which will be led by Social Development, Finance and Administration; and
- a Redevelopment Plan led by the Housing Secretariat

The development of the master plan and Downtown East Housing Strategy recommended in this report are part of the overall Redevelopment Plan work referred to above.

HousingTO 2020-2030 Action Plan

In December 2019, the City adopted the HousingTO 2020-2030 Action Plan ("HousingTO Plan"), which provides a blueprint for action across the full housing spectrum. One of the key targets in the HousingTO Plan is approval of 40,000 new affordable homes, including 18,000 homes with support services, over ten years.

Achieving the targets in the HousingTO Plan will require continued contributions/ programs as well as new and enhanced investments from all orders of government. Contributions from the non-profit and private sectors will also be necessary to achieve the targets. Achieving these targets would produce major positive outcomes for Toronto residents. In particular, emergency shelter clients would have greater access to supportive housing; tenants paying more than 50% of their income on housing would get support to stabilize their housing situation; residents of Toronto Community Housing would live in better maintained and safer homes; and residents would have access to new affordable, supportive and ownership housing opportunities.

24-Month Housing and Homelessness Recovery Response Plan

On December 16, 17, and 18, 2020, City Council adopted Item [PH19.11](#) - "Emergency Housing Action" which provided an update on the City's 24-Month COVID-19 Housing and Homelessness Recovery Response Plan ("24-Month Plan") plus recommended additional actions and investments to accelerate the implementation of the HousingTO Plan in response to the ongoing COVID-19 pandemic. The 24-Month Plan aims to create 3,000 affordable and supportive housing between 2021 and 2022, as a pivot away from cost emergency measures to more permanent housing. With the support from other orders of government, particularly the federal Rapid Housing Initiative and the Canada-Ontario Housing Benefit, the City is on track to deliver over 3,000 new homes by the end of 2022.

The recommendations in this report will further help the City in its efforts to create more permanent housing opportunities in the Downtown East to address the homelessness challenges in the area.

Dan Harrison Community Complex

Background

The Dan Harrison Community Complex is owned by TCHC. It is a collection of heritage houses and mid-rise apartment buildings situated on the north-east block of Dundas Street East and Sherbourne Street within the broader Downtown East neighbourhood of Toronto. The Complex provides rent-geared-to-income social housing for some 430 residents, with 376 units in 17 historic rooming houses and two 6-storey 1970s mid-rise apartment buildings.

Directly adjacent to the Dan Harrison Community Complex is a seven-storey TCHC senior's residence, located at 310 Dundas St East building (William Dennison Apartments). While there is no direct access between Dan Harrison and William Dennison Apartments, the two share an underground parking garage, with entry and exit from Sherbourne Street, enabling access between the two communities.

The area surrounding the Dan Harrison Community Complex has been and continues to be home to many of the city's most marginalized residents who experience high levels of poverty, substance use and mental health challenges, violence, crime and homelessness. Many agencies and organizations that help support this marginalized and vulnerable population are located directly at the intersection of Dundas and Sherbourne Streets, or in the surrounding neighbourhood. Various on-site services are provided for residents of the Dan Harrison Community Complex by community agencies, but the organizations are currently unable to support the volume and degree of needs within the Complex.

As a result of the original built form of Dan Harrison, there is currently an internal courtyard and a complex network of laneways, which have led to numerous access challenges and safety risks. Dead ends, low-visibility corners and multiple points of entry have resulted in easy access for non-tenants, enabling dangerous and anti-social

behaviours onsite. Major capital repair needs, combined with limited safe open space to gather and problematic areas without "eyes on the street" have all contributed to an unsafe environment for residents and the community at large.

In 2020, two facilitators were hired by TCHC and City staff to conduct a series of focused engagement to inform a comprehensive strategy for the future of the Dan Harrison Community Complex. The initial community outreach signalled a strong need for a full revitalization, with residents noting the need to replace deteriorating buildings and improve the design to enhance community safety, increase support services onsite and to create a mixed-income community.

Results of ERA Architect's Feasibility Study

ERA Architects Inc. ("ERA") has extensive experience in projects that support tower infill and neighbourhood transformation, affordable housing retrofit and the adaptive reuse of existing buildings, energy retrofit, green financing, and improving social and health outcomes through renewal.

Scope of ERA Architect's Engagement

Following Council direction, in July 2021, TCHC retained ERA to undertake the necessary due diligence work to identify the financial and operational implications related to the full revitalization of the Dan Harrison Community Complex.

As TCHC and the City of Toronto staff had already recently engaged TCHC tenants and neighbours, ERA's scope of work did not include direct community conversations.

The findings from previous community consultations, architectural plans, safety audits and building condition assessments (BCAs) helped inform ERA's final report.

Guiding Principles for Design

In consultation with TCHC and based on the previous tenant and community engagement, five guiding design principles were developed to guide ERA's work including:

1. *Safety* - Create accessible, secure and user-friendly spaces for tenants and neighbours.
2. *Services* - Provide improved supports and services for tenants on-site.
3. *Condition* - Improve the quality of the existing housing so homes are safe, comfortable and durable.
4. *New Homes* - Where possible, add new affordable housing onsite while maintaining the existing unit count.
5. *Value* - Deliver economically and environmentally sustainable options that improve long-term operations and also add social value.

Options for Improving Dan Harrison Community Complex

ERA's report used the above 5 principles to identify several options to improve the built-form and operations of Dan Harrison. In line with the guiding design principles, ERA proposed a total of five options, which fell under two different general approaches/themes being, 1) renewal and 2) revitalization.

1) Renewal Options

The first two options focused on a light-touch "renewal" or renovation concept by rehabilitating the existing buildings, either by clustering care services into one node with a single lobby, or a two-campus solution with separate nodes for: (i) affordable housing without supports and (ii) more high-needs supportive housing. No new units were proposed with these options.

The estimated costs to pursue these options ranged from approximately \$70-80 million, with a timeframe for design, approvals and construction of roughly 3 and a half years.

2) Revitalization Options

The remaining three revitalization options added new density either into the middle of the Dan Harrison Community Complex, at the back laneway or through two campuses, while retaining one of the existing mid-rise buildings. The revitalization options completely reimagine the site by providing a mix of rent-geared-to-income, supportive housing, affordable and market rental housing.

The estimated costs to pursue these options ranged from approximately \$200-350 million, with a timeframe for design, approvals and construction of roughly 5 and a half years.

The option of including the William Dennison Apartments, also in need of capital reinvestment, was also briefly explored by ERA, with its corner location leveraged for additional density. A revitalization of this building, while adding approximately 80 new units, was identified as costing in the \$80 million range. As of June 1, 2022, this building will be transferred to the Toronto Seniors Housing Corporation, but TCHC will retain ownership of the land.

The cost estimates outlined in ERA's analysis are intended as high-level estimates and subject to change due to market conditions and other factors.

Based on the guiding design principles outlined above, each of the 5 options from ERA was evaluated and scored against its ability to meet the principles. Overall, revitalization options scored much higher, and this report recommends moving forward with a revitalization approach, and exploring other City-owned sites to support the revitalization within a larger city-building context.

While any additional density would require rezoning and Official Plan amendments, ERA's proposals also contemplated the applicable policy documents that would govern any major on-site changes. These include the Downtown Secondary Plan, Garden District Site and Area-Specific Policy, and the Garden District Heritage Conservation

District. The heritage designations currently in place would also influence modifications and removals and would require heritage approvals.

Any future revitalization of the Dan Harrison Community Complex will be carried through a stage gate process as approved by Council in 2019 in [Item PH7.4](#). This process ensures the appropriate levels of consultation, oversight and consistency in decision-making occur, while ensuring that City objectives, including affordable housing are achieved.

Supporting TCHC Tenants

Ongoing Actions to Improve Living Conditions for TCHC Tenants

In addition to ongoing building repairs and working with a number of community agencies to support services onsite or close to the Dan Harrison Community Complex, since 2019, TCHC has undertaken various projects to improve living condition for tenants and security onsite.

Some of these projects include:

- Extensive camera replacement, including the addition of 110 net new cameras.
- New network of perimeter fencing and access control including “turnstile” gates at areas of frequent breach.
- New paving, landscaping and planting.
- Removal of old playground structures.
- New alarm systems and audible sirens.

Other recent work aimed at improving safety and quality of life for tenants have included a complete lobby renovation and the renovation of a large community space with kitchen.

Future Revitalization

Should funding be secured to undertake a future revitalization of the Dan Harrison Complex, all TCHC tenants will remain a priority and be supported during the process. TCHC has extensive experience revitalizing its communities and has a [Relocation Policy](#), which provides a robust framework to govern the temporary or permanent relocation of households due to revitalization, conversion, sale or substantial rehabilitation of a unit. As the City's local housing corporation, TCHC is committed to promoting healthy communities and quality of life for tenants, while recognizing that relocation may cause hardships for those directly affected and the community.

In the event of future revitalization, a sensitive and thorough approach to a community revitalization will be pursued, while leveraging local City-owned real estate options to support the process and keep tenants within their community, should they wish to remain. This report recommends advancing the first stage of a three-stage revitalization process (outlined in [Item PH7.4](#)) through in-depth resident and community consultations as part of a master planning and visioning exercise.

Downtown East Housing Strategy Development

Despite the progress made to-date to add new affordable and supportive housing opportunities in the Downtown East and across Toronto, the need remains great. This is evidenced by high rates of chronic shelter usage and support services clustered within the community.

The delivery of new supportive housing is necessary to enable people experiencing chronic homelessness to access permanent housing and well-being supports to successfully exit homelessness. New supportive and affordable housing will also contribute to the success and economic recovery of the Downtown East, while ensuring residents from all incomes and backgrounds remain able to live, work, and play in the community.

The delivery of a range of housing tenures and prices, with appropriate support services, are also necessary to create 'flow' along the housing spectrum and support more inclusive, diverse, mixed-income and complete communities.

In addition to creating new housing supply, maintaining the existing supply of homes, and improving housing conditions, are critical to helping residents improve their housing, health and socio-economic outcomes long term.

Subject to Council approval of the Downtown East Housing Strategy Framework in Attachment 1, beginning in the second quarter of 2022 and into 2023, staff will leverage existing Downtown East stakeholder networks to develop a robust understanding of need, identify opportunities for new cross-sectoral and inter-governmental partnerships, and identify priorities for scaling up the supply of affordable and supportive housing.

Once developed, the Downtown East Housing Strategy, along with the master plan referred to in this report, will guide the City when considering opportunities for creating new homes across the housing continuum, including new affordable and supportive housing opportunities. A Downtown East Housing Strategy will also connect all current and future housing initiatives and resources under a coherent framework based on a data-informed understanding of housing need. It will also help better address the prevalence of homelessness and poverty in the area, support service system planning, and ultimately, help marginalized people to achieve improved health, housing and socio-economic outcomes.

City-led and City-supported New Housing Developments Planned and Underway

There are a number of current or planned City-led or City-supported development projects within the Dundas-Sherbourne corridor and the wider Downtown East, which will deliver a range of new affordable and supportive housing plus amenities and services for residents. Some of these projects are:

1) 292 Parliament Street: The City purchased this three-storey vacant building in 2021 and is completing renovations to create 24 units of good quality, permanent affordable

housing with onsite support services. The project is funded through a combination of federal Rapid Housing Initiative funding and City capital funding. The building will contain a mix of studio, one and two-bedroom units, a rooftop outdoor amenity area, shared laundry, programming spaces, and non-residential spaces on the ground floor. It will provide new supportive homes for families and seniors experiencing or at risk of homelessness. The new homes will be deeply affordable, with tenants paying no more than 30% of their income on rent.

In March 2022, St. Jude Community Homes was selected as the non-profit housing provider for the site. St. Jude will partner with Cota Health and several other community organizations to deliver support services to the new tenants, who will begin moving in to their new homes in May 2022.

2) Regent Park Revitalization: Through this five phase, 69-acre revitalization project which began in 2005, TCHC and the City have been successfully transforming aging social housing infrastructure into a successful mixed-income, mixed-use, complete community. This includes adding a range of affordable and market rental homes, market condominiums, townhomes, commercial spaces, community facilities, active parks and open spaces.

Phase 3 of the revitalization is nearing completion which will total 1,450 RGI replacement units; 427 net new affordable rental units; and approximately 4,350 new market condominium units delivered across Phases 1-3. A range of commercial retail spaces, new parks including the Regent Park Athletic Grounds, and community centres and facilities including The Daniels Spectrum Arts and Cultural hub and the Aquatic Centre have also been completed.

The last two phases in Regent Park (Phases 4 and 5) are currently undergoing a rezoning process to meet important objectives and priorities for the City and community which will look to add affordable housing units, create more community spaces and facilities including a Toronto Public Library, and to create more open spaces. The initial application to the City proposes a total of 633 replacement RGI units; an additional 500 net new affordable units; and just over 1,800 new market condominiums.

Once the project is fully completed (estimated to be 2035), the Regent Park revitalization would have delivered a total of 2,083 replacement rent-geared-to-income (RGI) units; with the potential to add approximately 927 net new affordable rental units; and an estimated 6,200 new market condominium units.

3) 405 Sherbourne St.: Currently a Green P parking lot, 405 Sherbourne St. is part of Phase Two of the City's Housing Now Initiative. Housing Now is a City-wide initiative with 17 locations across Toronto where new mixed-income, mixed-use development will be built to support complete communities. In July of 2021, City Council approved the zoning by-law for this site, which will facilitate the revitalization of a 26-storey mixed-use building with 267 rental units, of which a minimum of 33% will be provided as new affordable rental. In addition to the minimum 33% affordable units, staff will look for opportunities to create 40 units of supportive housing onsite as part of the overall 267 rental units. The development concept also includes at least 168 square metres of community space, and a new landscaped mid-block connection. The City is expected to

issue an RFP for a non-profit housing provider to develop this site by the third quarter of 2022.

4) George St Revitalization: The City of Toronto is revitalizing the former Seaton House men's shelter on George Street to integrate services for vulnerable people and the broader community, in a new building, as part of the City's vision for a new future of service integration. This state of the art facility will include a new long term care home, supportive housing, emergency and transitional shelter program and a Community Hub. The City anticipates completion of the project by the end of 2026. It should also be noted that through this project, the City will be reducing the number of shelter spaces at this location from nearly 600 to 230 beds, of which 100 will be emergency shelter and 130 will be transitional support for people with complex needs.

5) St. Luke's United Church Revitalization: St Luke's United Church at 353-355 Sherbourne St. and 157 Carlton St. is partnering with the [United Property Resource Corporation](#) in a proposal to construct a 12-storey residential building while conserving part of the church, containing 100 residential units. A total of 30% of the units will be affordable rental units and 70% will be market rental, with 3,123 square metres of community space. A privately owned public space (POPS) is proposed to animate the Sherbourne Street frontage. In coordination with the Ward Councillor, City Planning will convene a working group and consult with the local community as part of the Site Plan Approval process, including the local residents association, Business Improvement Area, and other stakeholders. A community consultation was held by Community Planning as part of the Official Plan Amendment and Rezoning process on December 14, 2021. A final report on the application will be considered by Toronto and East York Community Council in the second quarter of 2022.

Creating More Affordable and Supportive Housing on City-owned Sites

Staff will explore a number of City-owned sites within the Dundas-Sherbourne neighbourhood that could be optimized to create new affordable and supportive housing plus achieve other city-building priorities. Utilizing City-owned sites removes land acquisition costs, making delivery of new housing more financially viable.

A list of sites and recommendations to activate them will be presented to the Planning and Housing Committee in the fourth quarter of 2023.

214-230 Sherbourne Street Properties - Update

On March 11, 2022, and based on Council direction, the City submitted a bid to acquire the 214, 218, 220, 222, 224, 226 and 230 Sherbourne Street ("214-230 Sherbourne Street") properties that were listed for sale. The properties are privately-owned and located roughly 100 metres south west of Dan Harrison. They consist of six vacant lots and one vacant, two and a half storey, heritage designated property.

The City identified funding source(s) and submitted a Conditional Offer to Purchase

("Offer") for 214-230 Sherbourne Street. The outcome of the City's submission is outlined in [EX31.4](#).

Prior to 214-230 Sherbourne Street being made available on the open market and in line with previous Council direction, City staff also submitted a proposal for funding to purchase the properties through the second phase of the federal government's Rapid Housing Initiative (RHI) under the National Housing Strategy. Unfortunately, this proposal was approved by Canada Mortgage and Housing Corporation.

As directed by Council through Item [EX31.4](#), City Planning and the Housing Secretariat staff will establish a pre-application working group with community stakeholders for the pending revitalization of 214-230 Sherbourne Street and adjacent properties, and establish terms of reference, which include identifying affordable housing priorities for the site.

Conclusion and Next Steps

The City has taken a number of concrete actions to add a range of new housing opportunities in the Downtown East, including new affordable and supportive homes. As outlined in this report, the City has already added a significant number of new homes through recent property acquisitions and the ongoing Regent Park Revitalization project. In addition, a number of new projects are planned or underway including the George Street Revitalization project and the recently rezoned Housing Now Initiative site at 405 Sherbourne Street, which will add 267 new homes (including a mix of market rental, affordable and supportive housing) once developed. Further to the above, the City is supporting the development of a number new homes on non-City-owned land.

In addition to the above, this report recommends that CreateTO and City staff explore additional sites within the City's real estate portfolio to add new housing. Using existing, City-owned land will optimize limited public resources, making the development of new housing more financially feasible. Adding new homes will also support any future temporary or permanent relocation of Dan Harrison Community Complex residents as part of a future revitalization of the site, while keeping them within their neighbourhood and close to existing services, should they wish to remain.

This report also recommends that staff undertake a visioning and master planning exercise in collaboration with TCHC tenants, neighbours and a range of other stakeholders to support future improvements to the Dan Harrison Community Complex and surrounding neighbourhood. To complement these efforts, this report also recommends the development of a robust Downtown East Housing Strategy focused on ensuring a range of housing opportunities across the housing spectrum to create a more mixed-income, inclusive, equitable and complete community. Combined, these actions support the larger Downtown East Action Plan.

Revitalization of the Dan Harrison Community Complex and improvements to the wider Downtown East will require new and enhanced investments from other orders of government. It will also require collaboration across systems to improve housing, health and socio-economic outcomes for current and future residents, many of whom are

underserved due to systemic and structural barriers. These new investments and increased system-level collaboration are necessary, and will ultimately help maximize limited public resources while improving the overall health and economic viability of Toronto, Ontario and Canada.

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ATTACHMENTS

Attachment 1 - Downtown East Housing Strategy Development Framework

ATTACHMENT # 1 – DOWNTOWN EAST HOUSING STRATEGY DEVELOPMENT FRAMEWORK

Background

Housing is a key determinant of health and also improves the social and economic wellbeing of individuals and communities. The delivery of new permanent affordable and supportive housing (i.e. deeply affordable homes with a range of supports) is necessary to enable marginalized residents in the Downtown East and across the city achieve and maintain housing stability long term. Further, the creation of more permanent housing opportunities support the City's ongoing efforts to pivot away from cost emergency measures to more sustainable long-term solutions for unhoused people.

The delivery of market rental and affordable home ownership opportunities, plus a range of services, are also necessary to create 'flow' along the housing spectrum and support more inclusive, diverse, mixed-income and complete communities.

In addition to creating new housing supply, maintaining the existing supply of homes, and improving housing conditions, are critical to helping residents improve their housing, health and socio-economic outcomes long term.

The City has a number of policies and strategies that guide the development of a range of new housing opportunities across the housing continuum. These include the [HousingTO 2020-2030 Action Plan](#), [Toronto Poverty Reduction Strategy](#), and the [Downtown East 5-Year Action Plan](#).

Purpose

The purpose of this Downtown East Housing Strategy is to create more affordable and supportive housing opportunities in the downtown east to support people with multiple marginalized identities, such as Indigenous, Black and 2SLGBTQIA+ persons, who face further barriers to housing and supports, including systemic and structural racism, discrimination and violence. Addressing mental health stigma and discrimination and improving access to services will also be considered in response to the City's converging opioid and housing crises.

The Strategy will connect the City's affordable and supportive housing developments and initiatives both underway and planned for the area, under a coherent framework that: is based on a data-driven understanding of housing need; better responds to the prevalence of homelessness in the area; supports system-level planning and better coordination of resources; and helps marginalized people to achieve improve health, housing and socio-economic outcomes. Further, the Strategy will inform future decision-making when considering new investments in housing and services.

The Strategy will also consider market rental and affordable home ownership opportunities plus a range of services are also necessary to create 'flow' along the housing spectrum and support more inclusive, mixed-income and complete

communities. Lastly, the Strategy will consider opportunities to maintain the existing supply of affordable homes, and improve living conditions for residents.

Principles and Guidelines

- Develop the Strategy based on research and a data-driven understanding of housing needs in the area through leveraging data on: market conditions; development cost; housing development pipeline; demand for shelter and respite services; race and sociodemographic data; and other available health and emergency shelter system data.
- Commit to using data and evidence to identify gaps in the provision of services for marginalized and underserved populations, and in the development of plans to address such gaps.
- Engage people with lived and living experience, including culturally-appropriate engagement with Indigenous residents.
- Recognize housing as a key determinant of health and a core component of recovery for people with serious mental health challenges.
- Focus on equity, diversity, inclusion and climate action in the delivery of housing and support services.
- Support the City's efforts to pivot away from costly emergency responses to homelessness, to more sustainable permanent housing solutions.
- Focus on systems-level approaches to supportive housing and work across sectors to coordinate systems and responses, with the objective of optimizing public investments while improving outcomes for residents.
- Provide a diverse mix of housing that responds to need across the full housing continuum, while creating more mixed-income, inclusive, equitable and complete communities.
- Strengthen existing relationships and build new partnerships with other orders of government, non-Indigenous organizations, the community sector, healthcare institutions, academic institutions, religious organizations and other leading organizations/institutions in the Downtown (e.g. Downtown Yonge BIA).

Goals

The goals of the Strategy are to:

- Improve housing stability, health and well-being, and socio-economic outcomes for unhoused people and those living in core housing need.
- Ensure a balance of housing types across the housing continuum in the Downtown East, to create more inclusive, mixed-income and complete communities.
- Improve access to a wide range of support services for people in supportive housing.
- Optimize limited public resources.
- Better coordinate actions and investments across the housing, health and social service systems.

Project Governance

Project Sponsor/Owner: Executive Director, Housing Secretariat

Key Project Support Leads: Executive Director, Social Development, Finance and Administration; Chief Planner and Executive Director, City Planning; Chief Executive Officer, CreateTO; General Manager, Shelter, Support & Housing Administration; and President and Chief Executive Officer, Toronto Community Housing Corporation.

Key Activities

To develop the Downtown East Housing Strategy, a dedicated project team will:

- Compile available data to identify housing and support needs.
- Leverage existing Downtown East stakeholder networks, including people with lived experience, Indigenous peoples, community housing and health partners, and hospitals to develop a robust understanding of need.
- Report on the current state and future state of housing across the housing continuum (from emergency shelters to home ownership) for the Downtown East based on the available data on the housing supply/development pipeline, as well as state of good repair information from TCHC and other landlords.
- Identify gaps and priorities for scaling up the supply of affordable and supportive housing, and improving housing conditions for existing renters.
- Seek new and enhanced partnerships opportunities with community agencies, hospitals and Indigenous organizations serving marginalized residents in the Downtown East.
- Engage internal stakeholders (City Divisions, Agencies, Boards, Commissions as relevant) to create alignment on direction and identify supporting strategies.
- Build awareness and understanding among internal and external stakeholders on the importance that housing plays in improving the health of residents, the economic and environment.
- Build awareness of the importance of supportive housing, including that supportive housing serves a range of needs and people (including unhoused people, seniors, and people with mental and physical disabilities).
- Consider all future affordable housing projects, initiatives and investments in the area in the broader context of this Strategy.

Key Stakeholders

- City Divisions (City Planning, Economic Development & Culture, Social Development, Finance and Administration, Toronto Public Health, Shelter, Support & Housing Administration, and Corporate Real Estate Management).
- CreateTO
- TCHC
- Toronto Senior's Housing Corporation
- Indigenous Peoples (including individuals and Indigenous organizations)
- People with lived experience of homelessness and housing precarity, including marginalized groups.
- Community health providers
- Hospitals

- Academic institutions
- Local religious organizations
- Local Business Improvement Areas
- Canada Mortgage and Housing Corporation
- Ministry of Municipal Affairs and Housing
- Ontario Health

Initial Project Timelines

- **Q2 2022 – Q1 2023** – data gathering, research and stakeholder engagement
- **Q2 2023 – Q3 2023** – Strategy development
- **Q4 2023** – Finalize Strategy and report to Planning & Housing Committee and Council