

Delivering Affordable Rental Housing at 1113-1117 Dundas Street West

Date: April 11, 2022

To: Planning and Housing Committee

From: Executive Director, Housing Secretariat

Wards: Ward 10 - Spadina-Fort York

SUMMARY

The [City's HousingTO 2020-2030 Action Plan](#) ("HousingTO Plan") includes a range of key strategic actions across the housing continuum aimed at improving housing outcomes for current and future residents. The HousingTO Plan recognizes that the city's housing challenges are multi-faceted and dynamic, and require a wide range of solutions to be addressed.

On July 14, 2021, through Item PH25.20, City Council directed the Executive Director, Housing Secretariat, in consultation with the Executive Director, Corporate Real Estate Management, the Chief Planner and Executive Director, City Planning, and the Chief Executive Officer, CreateTO to report to a future meeting of the Planning and Housing Committee with an update, a work plan, and funding requirements to activate the City-owned site at 1113-1117 Dundas Street West to create new affordable rental housing.

This report responds to Council's requests and seeks Council authority to use \$459,745.00 in Section 37 funds to support the due diligence and pre-development work necessary to advance the development of 1113-1117 Dundas Street West. A future report to the Planning and Housing Committee in the fourth quarter of 2023 will outline the results of the due diligence work.

RECOMMENDATIONS

The Executive Director, Housing Secretariat recommends that:

1. City Council authorize the transfer of \$459,745.00, inclusive of the Harmonized Sales Tax and disbursements, from the Section 37 Reserve Fund to the Capital Revolving Reserve Fund for Affordable Housing (XR1058), fully funded from the following developments:
 - a. 324, 326, 328, and 332 Richmond Street West, secured for community facilities, in the amount of \$278,198.00 (Source Account: XR3026-3701078); and

b. 357-363 King Street West and 62 Peter Street, secured for public housing improvements in the Ward, in the amount of \$181,547.00 (Source Account: XR3026-3701039).

2. City Council amend the Approved 2022-2031 Capital Budget and Plan for Housing Secretariat through an increase of \$459,745.00 in the project cost and 2022 cash flow for the Rental Development Project (CAF003-03-00), to support the pre-development work related to 1113 and 1117 Dundas Street West, fully funded from the Capital Revolving Reserve Fund for Affordable Housing (XR1058).

3. City Council direct the Executive Director, Housing Secretariat to compensate CreateTO for provision of services directly related to the development of 1113-1117 Dundas, with payment to be made to CreateTO on a cost-recovery basis from the Capital Revolving Reserve Fund for Affordable Housing (XR1058).

4. City Council authorize the City Solicitor to introduce the necessary Bills in City Council to amend City of Toronto Municipal Code Chapter 950, Traffic and Parking to remove 1117 Dundas Street West from the Schedule of Municipal Parking Facilities upon disposition of the site, including by way of a long-term lease.

FINANCIAL IMPACT

The cost to advance the Work Plan (Attachment 3) through to the completion of Phase 2 is estimated at \$459,745.00 and is recommended to be fully funded through Section 37 funds received from developments in Ward 10 identified for affordable housing.

Through due diligence and site feasibility work, including the development of a business case, any future funding required to develop and operate non-profit affordable housing at 1113-1117 Dundas Street West will be identified.

There are no anticipated financial implications apart from those identified in this report. Any future financial implications for the City will be identified in future years budgets and also outlined in the report back to Council in the fourth quarter of 2023.

The Chief Financial Officer has reviewed this report and agrees with the financial implications as stated in the Financial Impact statement.

EQUITY IMPACT

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

Creating new affordable housing at 1113-1117 Dundas Street West will increase the opportunity for systemically and structurally marginalized individuals, including Indigenous Peoples, Black and other racialized residents, seniors, women and gender diverse people, and members of the 2SLGBTQ+ community to access safe, healthy, and adequate homes.

Safe, secure, and adequate affordable housing is an important social determinant of health, and is also essential for people to improve their social and economic outcomes. It 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

1113-1117 Dundas Street West

On July 14, 2021, City Council adopted Item PH25.20 (1113-1117 Dundas Street West - New Non-Profit Affordable Housing Opportunity) to request City staff and CreateTO to report back to a future Planning and Housing Committee meeting with an update and the work plan and funding requirements to activate the site at 1113 (existing residential dwelling) and 1117 Dundas Street West (Car Park #204) to create new affordable rental housing to be operated by a non-profit organization and to prepare a Delegated Approval Form to amend the intended method of disposal for the properties previously declared surplus through Delegated Authority.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH25.20>

On April 16, 2018, the Board of the Toronto Parking Authority adopted item PA10.6 (Property Transaction/Parking Development - City of Toronto and Reserve Land Corporation/1117 Dundas Street West Ltd. - 1113 and 1117 Dundas St. West (Municipal Carpark 204)) to approve major terms and conditions of a new conditional agreement for the sale of the property to a private land owner. The property was declared surplus to municipal requirements on March 15, 2017 (DAF No. 2017-075).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PA10.6>

COMMENTS

HousingTO 2020-2030 Action Plan

In December 2019, City Council adopted the HousingTO Plan which provides a blueprint for a wide range of actions across the full housing spectrum. The HousingTO Plan is focused on improving the housing, health, and socio-economic outcomes for Toronto residents through a number of key actions including the approval of 40,000 new affordable rental homes by 2030, with 18,000 of those being supportive housing units.

The new homes to be developed at 1113-1117 Dundas Street West will support the HousingTO Plan objectives, and create much-needed affordable housing options for a range of households, including those from equity-deserving groups.

1113-1117 Dundas Street West (Context, Background, and Site Details)

Site Details and Existing Land Use Policy

The City-owned site at 1113-1117 Dundas Street West is an approximately 1,748 square metre site, with a depth of 45 metres and frontage of 38 metres. The site is currently occupied by a vacant residential dwelling (at 1113 Dundas Street West) and a surface parking lot (at 1117 Dundas Street West) operated by the Toronto Parking Authority. The site is located east of Ossington Avenue on the south side of Dundas Street West. The site is bounded by low to mid-rise mixed-use and single-use buildings typical of a City of Toronto main street, as well as the northern portion of the Trinity Bellwoods Park. The site abuts two public laneways to the west and south.

This City-owned site provides the opportunity for the creation of a Transit Oriented Development in an area well-served by transit, commercial uses, amenities, parks, and community space. Transit Oriented Developments integrate compact, walkable, pedestrian-oriented areas with a diverse mix of uses and housing types, at densities which support transit ridership so that people can access alternative modes of transportation and transit services quickly and conveniently from the places they live, work, shop, and play. The site is adjacent to TTC Streetcar service (line 505 along Dundas Street West) and all-day TTC bus service along Ossington Avenue (line 63 and 363).

The City of Toronto Official Plan designates the site as both Mixed Use Areas (1117 Dundas Street West) and Neighbourhoods (1113 Dundas Street West) on Land Use Plan Map 18. The site is located on an “Avenue” as identified on Official Plan Map 2 - Urban Structure.

The Site is currently zoned Residential – R (d1.0)(x806) through City-wide Zoning By-law No. 569-2013, as amended.

Real Estate Background

The City-owned site at 1113-1117 Dundas Street West, has been the subject of several real estate transactions and discussions. In 2000, a portion of the site (1117 Dundas Street West) was acquired by the Toronto Parking Authority (“TPA”) for municipal parking purposes and currently operates as a 37-space surface parking facility. In May, 2012, the TPA Board of Directors approved the purchase of the residential house located at 1113 Dundas Street West to potentially provide a more efficient development opportunity for the site in the long term.

On March 15, 2017, both properties were declared surplus to municipal requirements through DAF No. 2017-075 (save and except for an ownership interest in the below-grade strata interest), with a method of disposal through an Agreement of Purchase and

Sale to a private developer. The private developer had an interest in constructing a mixed-use development consisting of residential and retail uses and an underground parking garage that was to be constructed to TPA standard and specifications, and operated as a municipal parking facility by the TPA. Limited affordable housing was considered as part of the development.

No formal planning applications were ever submitted to the City by the private developer, and an Agreement of Purchase and Sale was never finalized. The relationship between the City/TPA and the private developer was terminated in order to advance a City-led development project to achieve more affordable housing on this City-owned site. On July 14, 2021 through item PH25.20, City Council approved a new disposal method to be by way of a long-term lease to a non-profit organization selected through a competitive procurement process to provide affordable housing on the City-owned site.

Toronto Parking Authority - Existing Carpark #204

The Toronto Parking Authority ("TPA") manage this City-owned site as a surface parking lot with 37 spaces. In order to ensure the continued provision of public parking for this area, CreateTO staff worked closely with the TPA and the local Councillor's office to provide an appropriate solution to ensure the retention of public, pay-and-display parking along Dundas Street West. The TPA will vacate this City-owned site to allow for future development, and they will begin operating new on-street pay and display spaces along Dundas Street West, to a minimum of 30 spaces. The local Councillor has been consulted on this plan and provided their support.

Work Plan to Advance Development of 1113-1117 Dundas Street West

The Work Plan outlined in Attachment 3 was prepared by the staff working team on 1113-1117 Dundas Street West. The activities outlined in the Work Plan, along with the funding recommended in this report, will allow the staff working team to advance the development of the City-owned site.

Next steps and Conclusion

Subject to Council's approval of the recommendations in this report, staff will continue to advance the due diligence and feasibility work necessary for this site development. This includes rezoning the site and selecting a non-profit housing developer/operator for the development and long-term operation.

Staff will report back to Planning and Housing Committee in the fourth quarter of 2023 with details including identification of the non-profit developer/operator.

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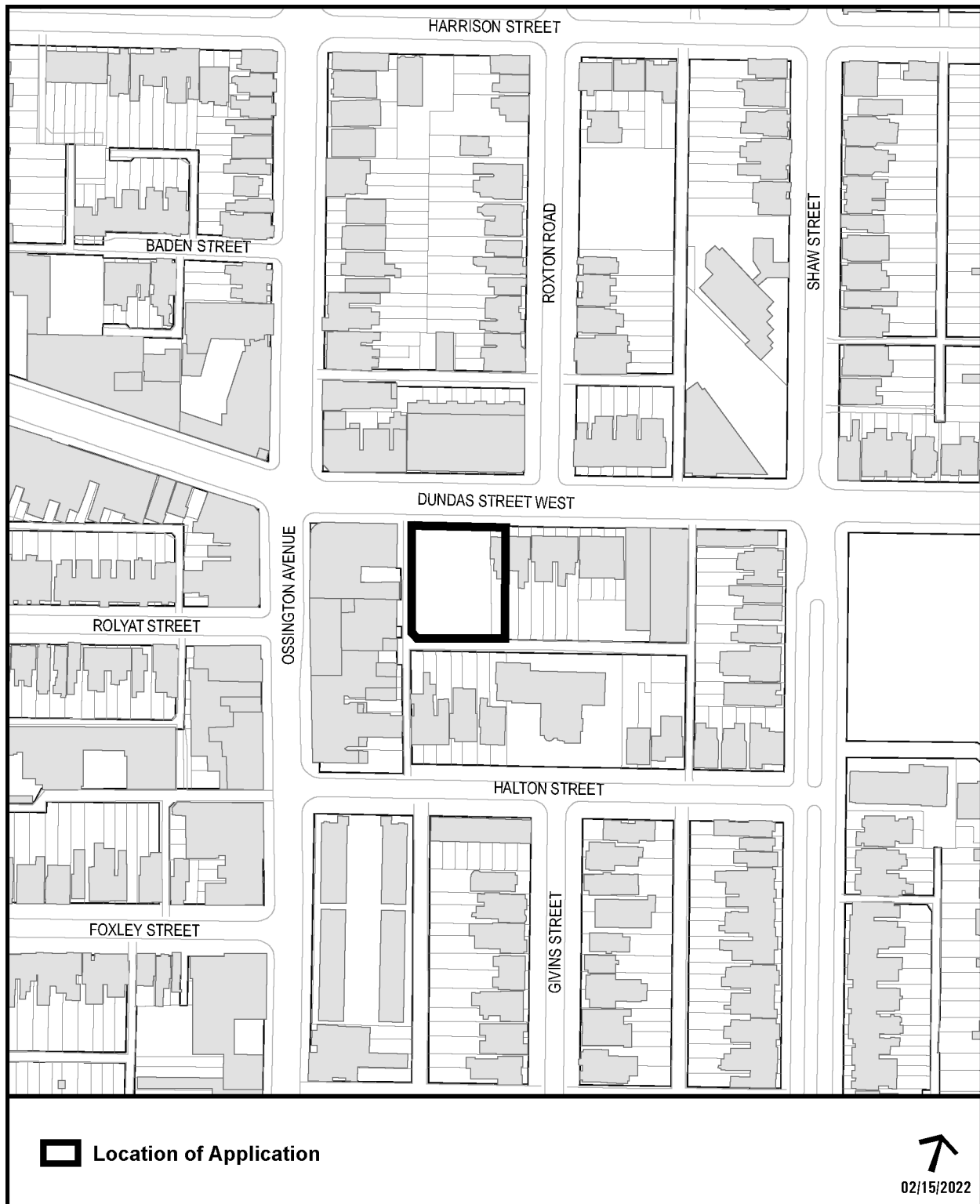
SIGNATURE

Abigail Bond
Executive Director, Housing Secretariat

ATTACHMENTS

Attachment 1: Site Map and Context
Attachment 2: Official Plan Land Use Map
Attachment 3: Work Plan to Advance Development of 1113-1117 Dundas Street West

ATTACHMENT 1: SITE MAP AND CONTEXT



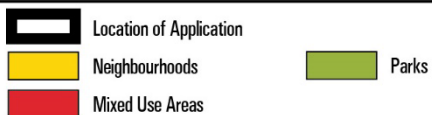
ATTACHMENT 2: OFFICIAL PLAN LAND USE MAP



1113-1117 Dundas Street West

Official Plan Land Use Map #18

File # PHC



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Not to Scale
02/15/2022

ATTACHMENT 3: WORK PLAN TO ADVANCE 1113-1117 DUNDAS STREET WEST

The following Work Plan has been prepared to advance the development of the City-owned site at 1113-1117 Dundas Street West.

Phase 1: Due Diligence and Feasibility Assessment (estimated completion - Second Quarter, 2022)

- CreateTO to retain various consultants and experts to complete pre-development work including structural, mechanical and electrical engineers, fire and life safety, building code, and costing.
- With the retained consultant team, and the City project team, prepare a development concept/demonstration plan for the site and develop a business case.

Phase 2: City-initiated Planning Processes (estimated completion - Second Quarter, 2023)

- City Planning, with the support of the Housing Secretariat, the Environment and Energy Division, CREM, and CreateTO, to advance a City-initiated Planning Process to amend the Official Plan and zoning by-law for the site based on the final design approach developed in Phase 1.
- CreateTO will retain all additional consultant teams to prepare and submit a full suite of application materials necessary to support the City-initiated Planning Process.
- This Phase will include a fulsome public consultation process typical of any development application.
- Phase 2 will be concluded with two reports, as follows:
 - A final report from City Planning to Planning and Housing Committee to advance the required Planning documents (i.e. an Official Plan Amendment and Zoning By-law Amendment) to support the development of the site, which will be the subject of the required statutory public meeting;
 - A report to both the Board of Directors, CreateTO and Planning and Housing Committee on the business case and all required funding to advance the development.

Phase 3: Request for Proposal and Non-Profit Operator Selection Process (estimated completion - Third Quarter, 2023)

- The Housing Secretariat, in collaboration with CreateTO, will issue a Request for Proposals (RFP) to select a non-profit housing organization to lead the development and long term operation of the site (99 years), consistent with the direction of Council through item [PH25.20](#).
- The non-profit housing organization may partner with a for-profit developer with expertise in developing affordable rental housing.
- The selected non-profit proponent will be required to advance the final site development, including Site Plan Approval and Building Permits.