

**City Council****Motion Without Notice**

MM18.25	ACTION			Ward: 11
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**Amending Item 2022.MM45.51 to Support the Kensington Market Community Land Trust to Acquire an Affordable Rental Housing Property - by Councillor Dianne Saxe, seconded by Councillor Josh Matlow**

*\* Notice of this Motion has not been given. A two-thirds vote is required to waive notice.  
\* This Motion is subject to referral to the Planning and Housing Committee. A two-thirds vote is required to waive referral.  
\* This Motion has been deemed urgent by the Chair.*

**Recommendations**

Councillor Dianne Saxe, seconded by Councillor Josh Matlow, recommends that:

1. City Council amend previous decision on Item 2022 MM45.51, by deleting Part 4:

Part to be deleted:

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.

and replacing it with the following new Part:

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 non-profit corporation to acquire, renovate and operate for a minimum of 99 years an affordable rental housing property in Ward 11, University-Rosedale 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 non-profit corporation by no later than June 1, 2025, or such other date as is acceptable to the Executive Director, Housing Secretariat;

b. approval of a business case in respect of the property to be purchased that outlines a management plan, management qualifications and financial viability of the affordable housing project, property acquisition plan, satisfactory to the Executive Director, Housing Secretariat;

c. Kensington Market Community Land Trust and/or a related non-profit corporation entering into a municipal housing facility agreement for housing purposes (the "Contribution Agreement") with the City, on terms and conditions satisfactory to the Executive Director, Housing Secretariat, and in a form acceptable to the City Solicitor.

2. City Council authorize the Executive Director, Housing Secretariat to negotiate and execute on behalf of the City, a Contribution Agreement for 99 years with Kensington Market Community Land Trust and/or a related non-profit corporation to secure the financial assistance being provided and to set out the terms of the operation of the affordable rental housing, on terms and conditions satisfactory to the Executive Director, Housing Secretariat and in a form approved by the City Solicitor.

3. City Council authorize the Executive Director, Housing Secretariat to advance a portion of the City funding to Kensington Market Community Land Trust and/or a related non-profit corporation, for the purposes of providing funds for deposits and other pre-purchase expenses, prior to the proponent entering into a Contribution Agreement.

4. City Council authorize the Executive Director, Housing Secretariat to execute, on behalf of the City, any security or financing documents or any other documents required to facilitate the funding process, including any documents required by a selected not for profit, or its related corporation to complete third party financing and refinancing, when required during the term of the City's agreement with Kensington Market Community Land Trust.

5. City Council authorize an exemption from taxation for municipal and school purposes for the affordable rental housing property referred to in Recommendation 1 above for the 99-year term of the Contribution Agreement.

6. City Council authorize the Controller to cancel or refund any taxes paid after the effective date of a Contribution Agreement.

7. City Council authorize the City Solicitor to introduce the necessary bills to give effect to City Council's decision.

8. City Council authorize the Executive Director, Housing Secretariat to provide a one-time exemption to Kensington Market Community Land Trust from the Multi-Unit Residential Acquisition Program requirement to acquire a building containing a minimum of six units.

## Summary

The City launched the Multi-Unit Residential Acquisition program in November 2021 to enable the non-profit community housing sector to acquire and protect at-risk market rental housing. Under Multi-Unit Residential Acquisition, one of the eligibility requirements is that the building to be purchased contain between six to sixty units as privately-owned residential or mixed used properties with a focus on multi-tenant homes or low-rise apartment buildings.

In April 2022, City Council approved funding in the amount of up to \$500,000.00 from the Capital Revolving Reserve Fund for Affordable Housing to the Kensington Market Community Land Trust to acquire, renovate and operate for a minimum of 99 years an additional affordable rental housing property in Ward 11, University-Rosedale under the terms of the Multi-Unit Residential Acquisition program and subject to a number of conditions.

Kensington Market Community Land Trust approached City staff with a proposal to acquire a smaller property to operate as affordable rental housing and retail with less than the Multi-Unit Residential Acquisition program's minimum unit requirement (6 units). The funding approved for Kensington Market Community Land Trust to purchase a property with a minimum 6 units requirement only results in approximately \$80,000 per unit which is far below the existing Multi-Unit Residential Acquisition program rate of \$200,000 per unit.

City staff require City Council to amend 2022 MM45.51 to include approval for a one-time exemption to Kensington Market Community Land Trust from the Multi-Unit Residential Acquisition Program's minimum building unit requirement and to delegate authority to the Executive Director, Housing Secretariat that was not captured in the previous City Council decision, including among other recommendations, to execute on behalf of the City a municipal capital facility agreement for housing purposes ("Contribution Agreement") with Kensington Market Community Land Trust and any security or financing documents or any other documents required to facilitate the funding process.

This matter is urgent because the current funding approval expires in June 2024.

## Background/Decision History:

City Council adopted PH28.3 - New Multi-Unit Residential Acquisition (MURA) Program to Protect Existing Affordable Rental Homes on November 9, 10 and 12, 2021:

<https://secure.toronto.ca/council/agenda-item.do?item=2021.PH28.3>

City Council adopted MM42.39 - Protecting Existing Housing and Creating Permanently Affordable Homes with Supports for Youth at 556 Bathurst Street on April 6 and 7, 2022:

<https://secure.toronto.ca/council/agenda-item.do?item=2022.MM42.39>

City Council adopted MM45.51 - Necessary Amendments to MM 42.39 regarding 556 Bathurst Street due to updated business arrangements on June 15 and 16, 2022:

<https://secure.toronto.ca/council/agenda-item.do?item=2022.MM45.51>

## Background Information (City Council)

Member Motion MM18.25