

City Council

Motion without Notice

MM18.37	ACTION			Ward: All
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Artscape Receivership - by Councillor Alejandra Bravo, seconded by Mayor Olivia Chow

** This Motion has been deemed urgent by the Chair.
* This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.*

Confidential Attachment - This motion relates to or contains information regarding litigation or potential litigation.

Recommendations

Councillor Alejandra Bravo, seconded by Mayor Olivia Chow, recommends that:

1. City Council adopt the confidential instructions to staff contained in the Confidential Attachment 1 to this motion.
2. City Council authorize the public release of the confidential instructions to staff contained in Confidential Attachment 1 to this motion, if adopted by City Council, at the discretion of the City Solicitor.
3. City Council direct that all other information contained in Confidential Attachment 1 to this motion is to remain confidential at the discretion of the City Solicitor, as it is about litigation and contains advice or communications that are subject to solicitor-client privilege.

Summary

On October 11, 2023, Toronto City Council adopted Item 2023.MM11.32, Responding to Toronto Artscape Inc. Receivership Proceedings, which provided information and sought direction regarding a pending receivership proceeding that was anticipated at that time to be commenced against Toronto Artscape Inc.

Throughout the fall, City staff worked with Artscape to develop comprehensive transition plans for Artscape's 14 properties ahead of the receivership, with the objective of ensuring continuity for Artscape's 390 residential and commercial tenants. A Receiver was appointed over Artscape's operations by a decision of the Ontario Superior Court of Justice on January 11, 2024.

Of Artscape's 390 residential and commercial tenants at its various properties, the vast majority were excluded from the scope of the Receivership. Most below-market commercial tenancies for artists and arts organizations will be managed by ArtHubs Toronto Inc., a newly established non-profit successor organization to Artscape, while the operation of most affordable housing

units has been transitioned to Artscape Non-Profit Homes Inc., which has engaged WoodGreen Community Services to provide property management services to tenants. Just 38 tenants, or 9 percent of Artscape's former tenants, are located at properties subject to the Receivership.

Among other things, Item 2023.MM11.32 directed the City Solicitor to participate in the receivership proceeding against Artscape with a view to protecting City's property and interests in affordable housing, and affordable not for profit community arts and culture space. This motion requests further direction from Council with respect to the receivership proceedings against Artscape.

This motion relates to ongoing litigation for which action is required before the next meeting of City Council. Therefore, this matter is urgent.

This motion also relates to or contains information regarding litigation or potential litigation.

Background Information (City Council)

Member Motion MM18.37

Confidential Attachment 1 - Confidential Information