

## City Council

### Motion without Notice

MM20.31	ACTION			Ward: All
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### **Artscape Receivership - Next Steps - by Deputy Mayor Ausma Malik, seconded by Councillor Gord Perks**

*\* 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.*

### **Recommendations**

Deputy Mayor Ausma Malik, seconded by Councillor Gord Perks, 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 conclusion of the Artscape receivership.
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 relates to litigation which affects the City.

### **Summary**

On October 11, 2023, City Council adopted Item 2023.MM11.32, which directed the City Solicitor to participate in the receivership proceeding against Toronto Artscape Inc. (“Artscape”), with the intent of protecting affordable housing and affordable not-for-profit arts and culture space. A Receiver was appointed over Artscape’s operations by a decision of the Ontario Superior Court of Justice on January 11, 2024.

Throughout the receivership process, the City has strongly advocated for the interests of Artscape’s 390 residential and commercial tenants. The City worked closely with Artscape to develop comprehensive transition plans for its 14 properties ahead of the receivership, and successfully advocated for the vast majority of Artscape’s properties to be excluded from the scope of the receivership. Just 38 tenants, or 9 percent of Artscape’s former tenants, are located at properties subject to the receivership.

One of the properties subject to the receivership is Youngplace, a former public school located at 180 Shaw Street, which was purchased by Artscape in 2010 and redeveloped as a community cultural hub, opening in 2013. Youngplace is structured as a commercial condominium, with most occupants owning their units directly. Artscape was hired by the condominium

corporation (TSCC 2397) to maintain the property, and ensure the community vision for Youngplace as a vibrant cultural hub was upheld in its operations.

Artscape owned and rented 13 of the commercial condominium units at Youngplace to non-profit arts organizations and to a childcare space at below-market rates. Artscape also owned two other units in the building, which were used as a café and as a common area. These 15 units have been included in the scope of the receivership. In late June, the units were placed for sale by the Receiver on the Multiple Listing Service.

This motion requests further direction from Council to related to the receivership proceedings.

This motion is urgent as it relates to ongoing litigation related to the receivership process for which action is required before the next meeting of City Council.

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

Member Motion MM20.31

(<https://www.toronto.ca/legdocs/mmis/2024/mm/bgrd/backgroundfile-247889.pdf>)

Confidential Attachment 1 - Confidential Instructions to Staff and Information