

City Council

Notice of Motion

MM30.1	ACTION			Ward: 11
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Authorization to Release Section 37 Funds to Support Non-Profit Affordable Rental Housing Property Acquisition - by Councillor Dianne Saxe, seconded by Councillor Paula Fletcher

** Notice of this Motion has been given.*

** This Motion is subject to referral to the Executive Committee. A two thirds vote is required to waive referral.*

Recommendations

Councillor Dianne Saxe, seconded by Councillor Paula Fletcher, recommends that:

1. City Council increase the 2025-2034 Capital Budget and Plan for the Housing Secretariat by \$1,200,000.00, fully funded by Section 37 community benefits, to be payable to Kensington Market Community Land Trust, subject to the funds being secured through an agreement as set out in Part 2 below.
2. City Council authorize the Executive Director, Housing Secretariat to negotiate and execute on behalf of the City a municipal capital facility agreement under the Multi-Unit Residential Acquisition Program with Kensington Market Community Land Trust to secure the financial assistance referred to in Part 1, on such terms and conditions satisfactory to the Executive Director, Housing Secretariat, and in a form acceptable to the City Solicitor.
3. City Council authorize the Executive Director, Housing Secretariat to provide \$1,200,000.00 in funding, inclusive of Harmonized Sales Tax and disbursements, to Kensington Market Community Land Trust to fund the purchase of an affordable rental housing and commercial building in Ward 11 University-Rosedale, fully funded from Section 37 funds from the development at 27-37 Yorkville Avenue, 26-32 and 50 Cumberland Street (Source Account: XR3026-3701295) in Ward 11.
4. City Council direct that the use of Section 37 community benefits be prominently recognized in documents and promotional materials, including on any construction hoarding, in consultation with the Ward Councillor as a requirement within the agreement between the City and Kensington Market Community Land Trust.

Summary

Councillor Saxe seeks authority to provide a non-profit community housing provider, Kensington Market Community Land Trust, with Section 37 funds in the amount of \$1,200,000.00 to help purchase a twenty-six (26) unit affordable rental housing building, which includes 10 commercial units and space for further housing, in Ward 11 University-Rosedale.

The demand for affordable housing far exceeds the supply. Worse, existing affordable housing is being lost at an accelerating rate, especially in rapidly developing areas such as Ward 11.

Kensington Market Community Land Trust is a successful, popular non-profit devoted to preserving affordable housing and commercial space in the Kensington Market area. It already owns and operates 12 affordable housing units and is acquiring two more this month plus a commercial unit.

Kensington Market Community Land Trust has raised substantial funds for this third purchase, including private donations, a mortgage, a low-cost loan from a foundation, and \$1,600,000 in previously approved funding under the City's Multi-Unit Residential Acquisition Program for eight (8) units of affordable rental housing. However, these funds are not sufficient to purchase the large twenty-six (26) rental housing unit building that Kensington Market Community Land Trust wishes to purchase. The Section 37 funding proposed by this Motion will fill the remaining financial gap and allow the purchase to close next month. The Section 37 funds will be used for the part of the building occupied by affordable housing.

Background Information (City Council)

Member Motion MM30.1