

NOTICE OF MOTION

Authorization to Release Section 37 Funds to Toronto Chinatown Land Trust for a Mixed-Use Affordable Housing and Cultural Hub

Moved by: Councillor Saxe

Seconded by: Councillor Chernos Lin

SUMMARY:

Councillor Saxe seeks authority to provide a non-profit community land trust, [Toronto Chinatown Land Trust](#) (“TCLT”), with Section 37 funds in the amount of \$700,000 to help purchase a mixed-use building in Ward 11 University-Rosedale, 81 Huron Street, to be operated as an anchor for the recently designated [West Chinatown Cultural District](#).

TCLT is a community-supported non-profit devoted to preserving community space, affordable housing and commercial space in West Chinatown. The demand for culturally appropriate affordable housing in Chinatown far exceeds the supply. Worse, existing affordable housing and retail space is being lost. The TCLT and CMHC recently completed a [research project](#) documenting this urgency and the opportunity to preserve affordable housing that has been provided by family, clan, and regional associations.

The proposed building contains two commercial units on the ground floor and two residential units on the second floor that are currently used as illegal short-term rentals. If operated by TCLT in accordance with its proposed business plan, this building would be a first tangible step to address the residential and commercial displacement documented in TCLT’s research and in support of City Council’s designation of [West Chinatown as a Cultural District](#).

The building would provide one unit of low-cost cultural space, one unit of commercial space for a culturally significant Chinatown business, and two units of affordable housing. The affordable housing would be operated under the terms of a municipal housing facility agreement with the Housing Secretariat comparable to the agreement used for recipients of Multi-Unit Residential Acquisition program funding (MURA). This motion also recommends municipal property tax relief for the two affordable homes for the 99-year term of affordability. A property tax exemption is a standard component of the MURA program.

The proposed cultural hub is inspired by Montreal’s [Chinatown House](#), which hosts community exhibitions, lectures, workshops and socio-cultural events in leased space. The proposed TCLT space would be community-owned. TCLT has also undertaken to animate the Huron Plaza with culturally relevant activities and public art, both of which have been requested by the community. Economic Development and Culture advises that it has no funds available to support cultural space

acquisition. However, they have reviewed the business plan and support TCLT's request for these Section 37 funds.

To make this purchase possible and sustainable, TCLT is assembling private donations and a mortgage. The Section 37 funding proposed by this Motion is a key element to allow the purchase to proceed and will only be disbursed upon confirmation of TCLT's purchase of the property and upon execution of appropriate agreements with the City, including conditions to safeguard the use of City funding and ensure that the property is maintained long-term as affordable housing and as a cultural and community hub. The proposed s. 37 funding must only be used for affordable housing and community space, and none of these funds may be used to subsidize the commercial unit.

RECOMMENDATIONS:

1. City Council increase the 2026 Operating Budget for Non-Program on a one-time basis by \$500,000 gross, \$0 net, fully funded by Section 37 community benefits obtained from the following developments in the following amounts:

- a. 195-195 McCaul Street, secured for affordable housing in the ward, in the amount of \$43,982.87 (Source Account: XR3026-3701328); and
- b. 27-37 Yorkville Ave. & 26-32 and 50 Cumberland St., secured for new or existing affordable housing, in the amount of \$456,017.13 (Source Account: XR3026-3701295);

to be forwarded to the Toronto Chinatown Land Trust for the purpose of purchasing 81 Huron Street to facilitate the provision of affordable rental housing in the building. (Cost Centre: NP2161)

2. City Council increase the 2026 Operating Budget for Non-Program on a one-time basis by \$200,000 gross, \$0 net, fully funded by Section 37 and Section 45(9) community benefits obtained from the following developments in the following amounts:

- a. 571 to 597 Bloor Street West, 738 to 782 Bathurst Street, 26 to 38 Lennox Street, 581 to 603 and 588 to 612 Markham Street, secured for non-profit community or cultural space, in the amount of \$56,078.39 (Source Account: XR3026-3700987; and
- b. 292 Dundas Street West, secured for cultural space, in the amount of \$143,921.61 (Source Account: XR3028-4500251).

to be forwarded to the Toronto Chinatown Land Trust for the purpose of providing a cultural hub on the ground floor of the building at 81 Huron Street. (Cost Centre: NP2161).

3. City Council direct that the \$700,000 be forwarded to the Toronto Chinatown Land Trust subject to:

- a. the execution by the Toronto Chinatown Land Trust of appropriate agreements with the Economic Development and Culture Division and the Housing Secretariat, including financial reporting requirements and conditions to safeguard the use of City funding and maintain the property long-term as affordable housing and as a community cultural space, to the satisfaction of the General Manager, Economic Development and Culture, and Executive Director, Housing Secretariat, and in a form satisfactory to the City Solicitor;

- b. the successful acquisition of 81 Huron Street by the Toronto Chinatown Land Trust by no later than June 30, 2027;
 - c. approval of a business case for the property outlining the management plan, management qualifications and financial viability of the project, satisfactory to the General Manager, Economic Development and Culture, and Executive Director, Housing Secretariat; and
 - d. the Toronto Chinatown Land Trust entering into a municipal housing facility agreement (the "Contribution Agreement") with the City to the satisfaction of the Executive Director, Housing Secretariat, and in a form satisfactory to the City Solicitor.
- 4. City Council authorize the General Manager, Economic Development and Culture, to negotiate and enter into an agreement with the Toronto Chinatown Land Trust to maintain a cultural hub at 81 Huron Street for a period of at least 10 years to the satisfaction of the General Manager, Economic Development and Culture, and in a form satisfactory to the City Solicitor.
- 5. City Council authorize the Executive Director, Housing Secretariat to negotiate and enter into a Contribution Agreement with Toronto Chinatown Land Trust and/or a related corporation on terms and conditions satisfactory to the Executive Director, Housing Secretariat and in a form acceptable to the City Solicitor, to secure the two affordable rental housing units at 81 Huron Street as affordable rental housing for a 99-year term.
- 6. City Council authorize the Executive Director, Housing Secretariat, or their delegate, to execute, on behalf of the City, any security or financing documents required by Toronto Chinatown Land Trust and/or a related corporation, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the Contribution Agreement, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by City Council.
- 7. City Council authorize an exemption from taxation for municipal and school purposes for the two affordable rental housing units at 81 Huron Street for the 99-year term of the Contribution Agreement.
- 8. City Council authorize the Controller to cancel or refund any taxes paid after the effective date of the Contribution Agreement.
- 9. City Council authorize the City Solicitor to introduce the necessary bills to give effect to City Council's decision.