

# St. Clare's Multifaith Housing Society



Annual Report

2001

# St. Clare's Multifaith Housing Society

## Annual Report 2001

### 25 Leonard Ave.

Our focus for the year was the conversion of 25 Leonard Ave. into 50 units of transitional housing. We purchased the building on February 8, 2001, and the first residents moved into the building on December 19, 2001.

The completion of 25 Leonard was a cause to celebrate. The building was the first new social housing project built in Toronto since 1998.

Everyone who moved into the building was homeless. Tenants were referred to the building by seven local agencies that operate shelters and provide support to people who are homeless.

The development of 25 Leonard was not an easy task. St. Clare's had to pioneer a new way of developing affordable housing. 25 Leonard was the first project built in Toronto using funds from the Sustaining Community Partnerships Initiatives (SCPI), the federal government's initiative to address homelessness. Prior to the election of the Harris government, affordable housing projects were built with 100% capital funding from the government. At 25 Leonard government grants covered just over half the project's capital costs, the remaining funds had to be raised through mortgages, rebates or fundraising. Among the challenges faced were juggling permanent and interim financing, fundraising, and managing a complex development process. These challenges were faced and overcome and now 50 people who were homeless have safe affordable housing.

The innovative aspects of the project has been recognized by Homegrown Solutions, a program funded by Canada Mortgage and Housing Corporation that showcases creative housing solutions. Homegrown Solutions has released a report that highlights St. Clare's accomplishments at 25 Leonard. Copies of the Homegrown Solutions report can be obtained from St. Clare's or from Homegrown Solutions. (<http://www.hgrown.org/>)

25 Leonard is proof that safe affordable housing for the homeless can be built without 100% government funding if the sponsor has vision and determination.



People living in shelters started moving into St. Clare's project at 25 Leonard Ave. in December. With 50 units, 25 Leonard is the largest social housing project build in Ontario since 1995.

## New Projects

St. Clare's will build on our achievement at 25 Leonard and develop more affordable housing. SCPI (Sustaining Community Partnerships Initiatives), the funding program used to assist the development 25 Leonard is no longer available. A new federal/provincial affordable housing program will be announced in the summer of 2002 that will provide capital grants, but in total the grants will be less than the assistance provided by SCPI. This new program will require equity contributions from the housing providers. Once again St. Clare's will have to find creative solutions to develop affordable housing. Currently, we are forming innovative partnerships, with both the private sector developers and non-profit agencies, that could provide a new model for affordable housing development.

### **Lakeshore Village**

St. Clare's has an Agreement in Principle with the Daniels Corporation to lease a 200 unit rental building which will be built on Garnett Janes Road (near Lakeshore and Kipling) in South Etobicoke.

The Agreement is conditional upon the Daniels receiving a grant of \$25,000 per unit from the new federal/provincial housing program, as well as the City of Toronto agreeing to forgo a number of municipal fees and charges. St. Clare's has applied to the Ministry of Municipal Affairs and Housing for 200 rent supplement units for the project. In the event that less than 200 rent supplement units are approved, St. Clare's will lease a smaller number of units. St. Clare's lease will be for ten years, which linked to the short term funding available for the rent supplement units. (A longer lease term can be negotiated if permanent rent supplement funding is available.)

The rent-up and management of the building will be handled in a similar fashion to 25 Leonard. All the units leased to St. Clare's will be occupied by individuals or families who are homeless. St. Clare's will establish the criteria used to evaluate applications and enter into referral agreements with local agencies assisting the homeless. The agencies will refer clients who are 'housing ready' to the building and the agencies must agree to provide support services as required. The Daniels Corporation will be responsible for property management, but vacancies will be filled by agency referrals. Community development programming will be provided by St. Clare's provided that funding can be obtained.

If the funding can be obtained, construction will start in 2003 and the building will be occupied by the end of 2004.

Although St. Clare's will be able to obtain free office and meeting space in one of the adjacent social housing projects, we will incur administrative expenses of approximately \$10,000 for office supplies, photocopying, telephone etc. In addition to the office, St. Clare's will have to hire project manager for six months to coordinate the rent-up of the project, including negotiating referral agreements and allocating units. We need to find an additional \$30,000 for salaries and benefits.

The Lakeshore Village project is an example of the type of innovative private sector/non-profit partnership that St. Clare's is working on. The Daniels Corporation will do what they do best: building and managing housing. St. Clare's will be responsible to select the tenants for the project and ensure the appropriate supports are in place.

### **Times Square North**

Times Square North is a 200 to 250 unit single room occupancy (SRO) project planned for downtown Toronto. The project is named after the hugely successful Times Square project in New York which provides housing for 635 single people, many of whom were homeless. Times Square demonstrates that it is possible to use the SRO concept to provide cost-effective housing to low income singles. (See [www.commonground.org](http://www.commonground.org))

Times Square North is an initiative of the Homes First Society. St. Clare's was asked to participate because of our experience at 25 Leonard. The project will be developed by a community partnership. Ten agencies working with the homeless will be the founding members of Times Square North. A foundation has expressed interest in donating a suitable downtown site for the project. The project will be owned and operated by a new non-profit housing corporation which will have representatives from the partner agencies on the board.

The proposed SRO units will have an area of approximately 220 ft<sup>2</sup> and each unit will have a self-contained bathroom and a kitchenette. The target rent is \$325 a month (the shelter component of welfare for a single person.) Agency partners will be able to refer clients who are ready to live independently to the project. The agencies will provide ongoing support.

The project will be financed using a combination of government grants, and conventional mortgages. St. Clare's will provide technical assistance (with a value of approximately \$25,000) on a spec basis for the project. In addition, St. Clare's will make an equity contribution of \$25,000 to the project. In total, St. Clare's expect to make a \$50,000 investment in the project.

Times Square North is an innovative partnership that allows agencies and shelters to work together to find permanent affordable housing for people who are homeless or living in shelters.

### **Advocacy**

St. Clare's continued to support the activities of Toronto Action for Social Change in their efforts to get the federal and provincial governments to restore funding for affordable housing, and their linking of housing with peace and social justice issues through the Homes Not Bombs campaign.

Members of St. Clare's have actively supported other social justice initiatives including the Father's Day Coalition for Peace, Food Not Bombs, Interfaith Witness for Social Justice and Compassion, Rooftops Canada, Ten Days for Global Justice, the Ecumenical Good Friday Coalition, Metro Network for Social Justice (MNSJ) and Toronto CAN.

## 25 Leonard Financing and Fundraising

The cost to buy and renovate 25 Leonard Ave. was almost \$5 million. We would like to thank the federal government for their contribution of \$2.25 million from SCPI. The City of Toronto's Mayor's Homeless Initiatives Fund contributed \$275,000 and the City forgave fees and charges of approximately \$118,000 to assist the development of the project.

First mortgage financing was provided by First National Financial Corporation. The Canadian Alternative Investment Co-op (CAIC), a social investment organization whose mission includes supporting the development of affordable housing provided the second mortgage.

In order for the project to breakeven, St. Clare's will contribute \$170,000 to the project. By the end of 2001, we had raised almost half this amount. We would like to thank the Co-operative Development Foundation of Canada, the Sisters of St. Joseph, the Poor Clares, the Sisters of the Precious Blood and over fifty individuals and parishes that supported our work at 25 Leonard.

## 25 Leonard Staff & Development Team

The development of 25 Leonard was a complex undertaking and we would like to acknowledge the development team who played a significant role in making the project a success.

Jon Harstone, our Project Manager, did a remarkable job of keeping all the balls in the air and kept the project on track when going got rough. Margo Davidson, our Program and Community Resources Coordinator, provided invaluable assistance building links with agencies and working with future tenants. Ron Mann and Ron Struys provided support and assistance prior to closing when it looked as if the deal could fall apart. Our architects, Dean Goodman and Alex Tedesco, of the architectural firm Levitt Goodman, designed a building that worked and were able to focus on the details to make sure that we got a good quality project. Brian Iler and Lisa Loader, of the law firm Iler Campbell, were able to help us negotiate the tricky legal issues which faced the development of the project. Finally, we want to acknowledge that the project would never have happened without Dineen Construction who was able to renovate the building within the budget and complete the work on time.

We have hired Precision Property Management, a firm with extensive co-op and non-profit housing management experience, to manage the building. We have a full-time live-in superintendent on site who is handling all the day-to-day operations of the project.

## St. Clare's Staff

With the completion of 25 Leonard the development team had to be disbanded. However, Jon Harstone is continuing to work for St. Clare's, on a part-time basis, to help us develop new projects and deal with deficiencies at 25 Leonard.