

25 Leonard – Phase 1

In 1997 the United Nations declared, homelessness in Canada a [national emergency](#). The declaration led to the founding of St. Clare's with a practical mandate: to build housing for people who were homeless. Building affordable housing is easier said than done, especially at a time when there was no road map. St. Clare's had to do the trail blazing.



The first step is land. After spending a year looking for suitable sites, many of which were 'squats' used by the homeless, we got lucky. Kensington Community Housing, a community advocacy group, identified 25 Leonard as a potential site. It was a four-storey doctors' office building that was largely empty. Due to the recent merger between Toronto Western Hospital across the street and Toronto General many of the doctor-tenants in 25 Leonard had been offered free space at Toronto Western.

The owner of 25 Leonard was prepared to sell with excellent terms. A \$50,000 refundable deposit provided a 6-month window to obtaining rezoning of the site for housing. With the land secured, we started to plan. Levitt Goodman Architects (now [LGA Architectural Partners](#)) agreed to design the renovations. Cynthia MacDougall at McCarthy Tétrault and Frank Lewinberg at Urban Strategies joined the team to help with the Committee of Adjustment.

The design was very simple and cost effective; the front entrance and public corridors were retained. Our proposal was to renovate the doctor's offices, into 51 apartments. 48 of the units were 330 square foot one-bedroom apartments; in addition there were two bachelor apartments and a two-bedroom apartment. We had not anticipated that when we got to the Committee of Adjustment, our modest proposal for much needed transitional housing would face serious opposition. It wasn't NIMBYism, rather a local lawyer wanting to run for Councillor, seized this opportunity to whip up opposition against our project in an attempt to discredit [Olivia Chow](#), our supportive local councillors. Although the Committee of Adjustment approved the proposal it was appealed to the Ontario Municipal Board, and finally appealed to Divisional Court. It was a long, expensive and



exhausting process, but the owner of 25 Leonard, understanding our situation, was prepared to extend closing by a further six months.

The lengthy process required to get the zoning approved gave us time to secure financing. {see financing} We were fortunate that the federal government, recognizing the need for transitional housing, announced a new funding program in April 2001: Supporting Community Partnership Initiatives (SCPI). A proposal call was held in the fall of 2001 and we were awarded a \$2.25 million grant for the conversion. Even with this capital funding we knew there was insufficient revenue from tenants rents to make the project viable; we needed rent supplements. Again we got lucky, the Province announced a new tranche of rent supplements and we received supplements for the project - but only for five years. The five-year time frame was a problem for the lender – they required us to pay off the loan in just ten years. With careful planning we were able to make the budget work and once the federal funds were confirmed we were able to obtain a 1.7 million first mortgage from [First National](#) Financial and a \$300,000 second mortgage from the [Canadian Alternative investment Co-op](#) (CAIC).

One of the reasons why the operating budget worked is that we assumed the building would be exempted for paying municipal taxes. We met all the criteria, so it came as a shock to discover that the Municipal Property Assessment Corporation (MPAC) had changed the criteria to qualify for an exemption. This was another challenge; we had to get them to change their minds but eventually we were able to convince MPAC to exempt the building, but it took two years and they refused to refund us the taxes we paid.

Dineen Construction renovated the building; they did a great job working with us, and the architect, to minimize extras and bring the project in on budget. The building was ready for occupancy in the December 2002. Given the hurdles that we faced it was remarkable that it only took two years from the time we first saw the building until the project was occupied.

