

The following report of the General Manager, Housing York Inc. was adopted, without amendment, by the Board of Directors of Housing York Inc. at its meeting on September 14, 2005.

TRANSFER OF HOLY TRINITY NON-PROFIT RESIDENCES YORK

1. RECOMMENDATIONS

It is recommended that:

1. Subject to obtaining the consent of the Minister of Municipal Affairs and Housing and the Region, as Service Manager, the Corporation acquire the social housing project Holy Trinity Non-Profit Residences York, located at 37 Bates Way, in the Town of Markham, conditional upon the Minister waiving any land transfer tax applicable to the transfer.
2. Staff be authorized to take any other steps to give effect to the foregoing.

2. PURPOSE

The purpose of this report is to seek the Board's approval for Housing York Inc. (HYI) to acquire the social housing project owned by Holy Trinity Non-Profit Residences York, which is currently operated on an interim basis by a Board comprised of Regional staff.

3. BACKGROUND

Holy Trinity Non-Profit Residences York (Holy Trinity) is a 100 unit non-profit townhouse complex located on Bates Way and Shanklin Way in the Town of Markham (near Woodbine Avenue, between Major Mackenzie Drive and 16th Avenue). The complex was constructed under a provincial housing program that was subsequently devolved to the Region.

Holy Trinity was incorporated in 1990 by a group of retired businessmen loosely affiliated with a Richmond Hill faith community. Following the resignation of the board as a whole, in November 2004, Council approved the appointment of five Regional staff members to serve as the Board of Directors of Holy Trinity and ensure business continuity until such time as a plan for the disposition of the corporation could be developed and presented to Council.

The 2004 current value assessment (CVA) of Holy Trinity is \$8.6 million and the project's accumulated operating and capital reserves total approximately \$1 million. The outstanding mortgage on the property is approximately \$12.9 million. Although the outstanding mortgage exceeds the CVA, this is typical of the transferred housing programs. Holy Trinity is considered to be in good financial health for a project of its type.

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A Building Condition Analysis of the Holy Trinity complex was completed in August 2005. The assessment found that the buildings were generally in good condition. The corporation's capital reserves are estimated to be sufficient to meet replacement and repair requirements until 2011.

4. ANALYSIS AND OPTIONS

4.1 Considerations for Transfer to Housing York Inc.

There are significant benefits to transferring Holy Trinity to HYI

- The assets would be under Regional control, providing the greatest assurance of long term viability and professional management.
- HYI is well positioned to manage the residents and community issues related to a long period of uncertainty, strengthening the community going forward.
- The property would be the first operated by HYI in Markham, positioning the Region's housing corporation to provide service in all local municipalities.

4.2 Ministerial Consent

Ministerial consent and the Regional consent, as Service Manager, are required in order for HYI to acquire the housing project, pursuant to section 95(1) of the *Social Housing Reform Act, 2000*. By separate report, the Region's consent to the transfer has been requested. It is expected that the Ministry will consent to the transfer of Holy Trinity to HYI. It is further expected that in accordance with their standard practice for acquisitions of one housing provider by another, the Ministry will waive the land transfer tax.

5. FINANCIAL IMPLICATIONS

Under the *Social Housing Reform Act, 2000*, the Region is responsible to administer Holy Trinity and to provide funding at a level established by the Province. The funding already established for Holy Trinity will be transferred to HYI. As a result, the transfer will have no net impact on the HYI budget.

6. LOCAL MUNICIPAL IMPACT

Holy Trinity is an important resource, providing housing for 100 Markham families. Integration with the HYI portfolio will give the project quality management services and enhanced long-term viability. The specialized community services provided to HYI tenants will be also be extended to the Holy Trinity community.

7. CONCLUSION

Holy Trinity has provided much needed housing to many Markham families for more than a decade. As the non-profit was left without governance from the community based Board of Directors, it is incumbent upon the Region to ensure that the project continues to fulfill its mandate to provide quality, affordable housing. Integration with the HYI portfolio will ensure that tenants in this community enjoy well managed and maintained housing for many years to come.

The Senior Management Group has reviewed this report.