



Leveraging Public Land and Public Private Partnerships to Provide Social Housing.

Three Cases: Toronto, Boston and Cape Town

September 10, 2019

Community Revitalization

CUR Seminar | September 10, 2019



Toronto Community Housing Corporation

TCHC By the Numbers

Number of tenants:
110,000+

Number of
communities:
350

Number of buildings:
2,200+

Number of
housing units:
60,000

Percent of households
spending less than
\$500 on rent: **76%**

Value of housing
portfolio:
\$9 billion

Monthly rent and subsidy
income per unit:
\$740

Majority of buildings:
50+ years old

Oldest apartment
buildings:
76 years old

Residents paying rent-
geared-to-income:
90%

Revenue from rent:
43%

Average annual
household income:
\$15,000

Number of employees:
1,600

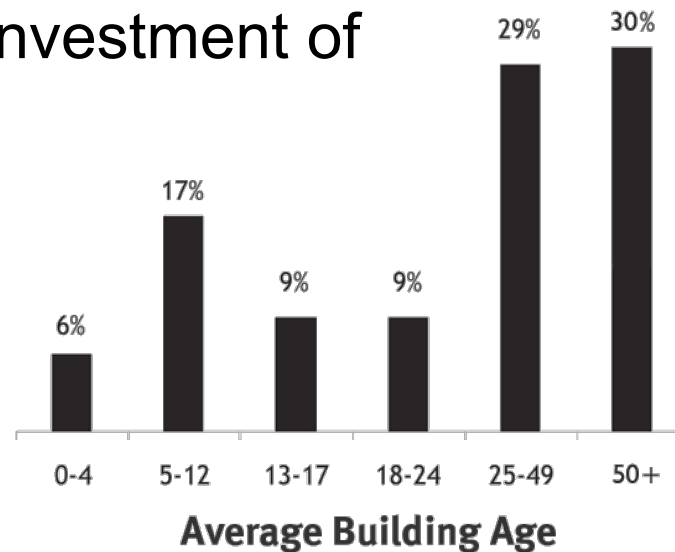
Number of Shareholders:
1 (City of Toronto)

About 70% of
residents have
tenancies less than
10 years

This map displays the Greater Toronto Area (GTA) with numerous red dots indicating specific locations. The dots are distributed across the region, with a high concentration in the central urban core, particularly around the downtown area and the waterfront. The map includes labels for major roads, water bodies, and various neighborhoods, providing a geographical context for the data points.

The Need

- Majority of our 2,200 buildings are now 50+ years old.
- Built at the same time, now “aging out” at the same time.
- Repair program calls for investment of \$50,000/unit.



\$3 Billion investment needed over 10 years



Regent Park

Pre-Revitalization



- 69 acres of land in downtown Toronto
- 2,083 units in townhouse, walk-up, high rise
- 7,500 people
- 100% government owned and subsidized
- Revitalization Plan approved by TCH Board in 2003

Current Revitalization Plan



- 5 Phases
- 20-25 year timeframe
- Rebuild a neighbourhood – over 17,000 people – into a mixed use and mixed income community.

Socio-economic Diversity

Mix of activities and uses

Mix of tenures

Mix of Building Types

Restaurants

Shops

Birth Centre

Arts & Cultural Centre

Seniors

Employment Hub

Day Care

New recreational amenities

Public Park

Aquatic centre

100% RGI housing

Poor state of repair

No clear public realm

Disconnected from surroundings

No through streets

Tenant Engagement



Phases 4 and 5: Community Involvement

**RFP
Procurement
Committee**

**Revitalization
Working Group**

**RFP
Informational
Open House**

**Community
Conversations**

**Community
Conversations
Report**

**Vetted
Questions**

**Developer
Partner
Presentations**

**Community
Benefits
Agreement**

Financial Building Blocks

Revenues

Costs

Land

Rental
Replacement

Community
Facilities

Profit

Relocation

Municipal
Infrastructure

Funding/
Grants

Community
Engagement

Planning +
Admin Costs

**SURPLUS/
SHORTFALL**

TCH capital
investment to
cover the gap

Sources and Uses of Funds

Land
Profit
Government Funding (City, Province)
Bonds
Commercial Revenue



Average cost

\$430,000/unit



Construction
Costs
(Hard/Soft)



Remediation



Demolition



Site
Servicing



Engagement
& Relocation

Community Economic Development



Training Programs



Event Funding



Space for Community Groups



Local Employment Initiatives



Development Partnerships

Our developer partnerships can take one of four forms:

- Profit-Sharing
- Joint Ventures
- Co-Tenancies
- Land Sales

Attributes we seek in developer partners include:

- Well-established developers with proven track records.
- Strong Community Economic Development commitment.
- A strong marketing side.

In structuring a deal, we prefer:

- Non-recourse financing and no financial guarantees by TCHC.
- Zero or limited equity requirements for TCHC.
- The ability to use our contracts.
- A balance of certainty but off-ramps which limit financial compensation.
- A clear outline of responsibilities.

Lessons Learned

- Don't lose sight of why and for whom
- Adapt and remain flexible
- Embrace opportunity
- Pre-zoning not necessarily faster
- Skin in the game

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Boston Housing Authority

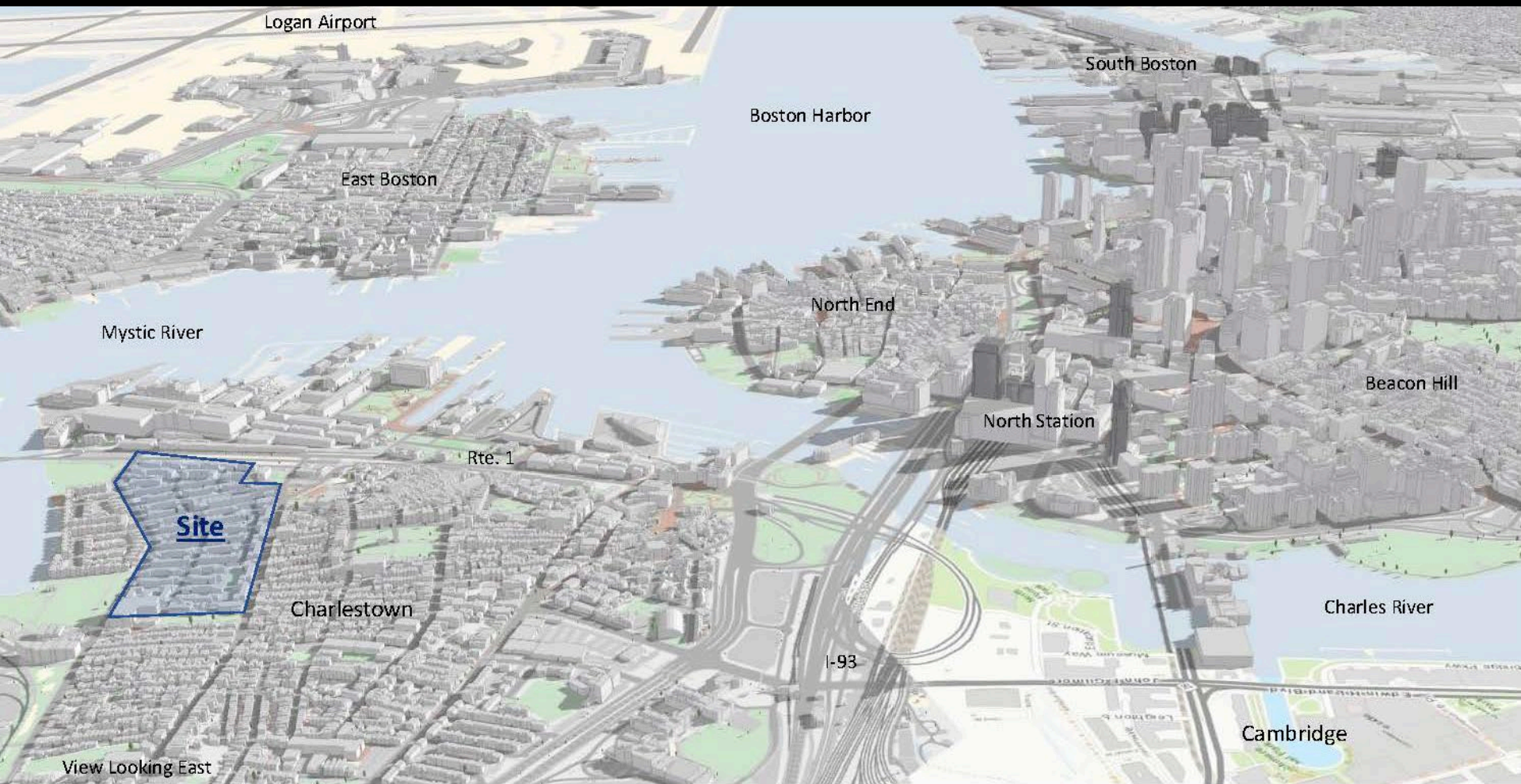
CHARLESTOWN REDEVELOPMENT

Ryerson University Centre for Urban Research · September 2019

Boston Housing Authority

- Largest public housing authority in New England, sixth largest in nation
- Owns and operates 11,500 units of public housing in 63 developments
- BHA communities are among most diverse in the city: 42% Latino, 32% Black, 16% White, 10% Asian
- Administers rental voucher subsidies for more than 13,000 additional units
- Provides affordable housing to more than 58,000 residents in and around Boston, including nearly one in ten city residents
- Chronic underfunding of federal public housing has resulted in capital needs estimated at over \$1.5 billion







At Start of Planning
July 2015

- 1100 public housing apartment units in 41 three-story walk-ups across 24 acres
- Average Household Income: \$15,282
- More than 75% of households earn less than \$20,000 per year



Boston Globe



Boston Globe



Timeline

- **Dec 2014** First Meeting with Charlestown Task Force
- **Feb 2015** First Meeting with broader Charlestown public housing community
- **May 2015** First neighborhood meeting
- **June 2015** BHA issues developer team Request for Proposals
- **Sep 2015** BHA selects Developer team
- **Oct 2015** Start community planning and permitting process
- **Aug 2017** Suspend permitting
- **Aug 2018** BHA and CRA sign Letter of Intent with reconstituted developer team
- **Apr 2019** Mayor announces \$30 million commitment from the City of Boston for phase one





View Looking Southeast

Redevelopment Program and Principles

- **2700 apartment units and 58,000 SF of retail**
- **Minimum of 1,010 replacement units on site**
- **Use 4% tax credits and not 9% tax credits**
- **Minimum of 22% low-income units in mixed-income buildings**
- **Phase redevelopment in order to minimize disruption to current residents**





Topics for Consideration

- **Cost** Redevelopment is expensive
- **Mixed-Income Housing** Introducing market-rate units and retail does not by itself generate enough funding
- **TIF (DIF)** Market-rate housing does provide the promise of new tax revenue, but the analysis is not entirely straightforward
- **Finance** Housing authority needs to be savvy about conventional real estate finance objectives
- **Permitting** Higher density poses definite permitting challenges
- **Management** Details of property management and resident supports need to be worked out
- **Asset Management** In the future, housing authority staff will need a new approach to this piece of its portfolio



Contact

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Civic action for urban regeneration



Development Action Group

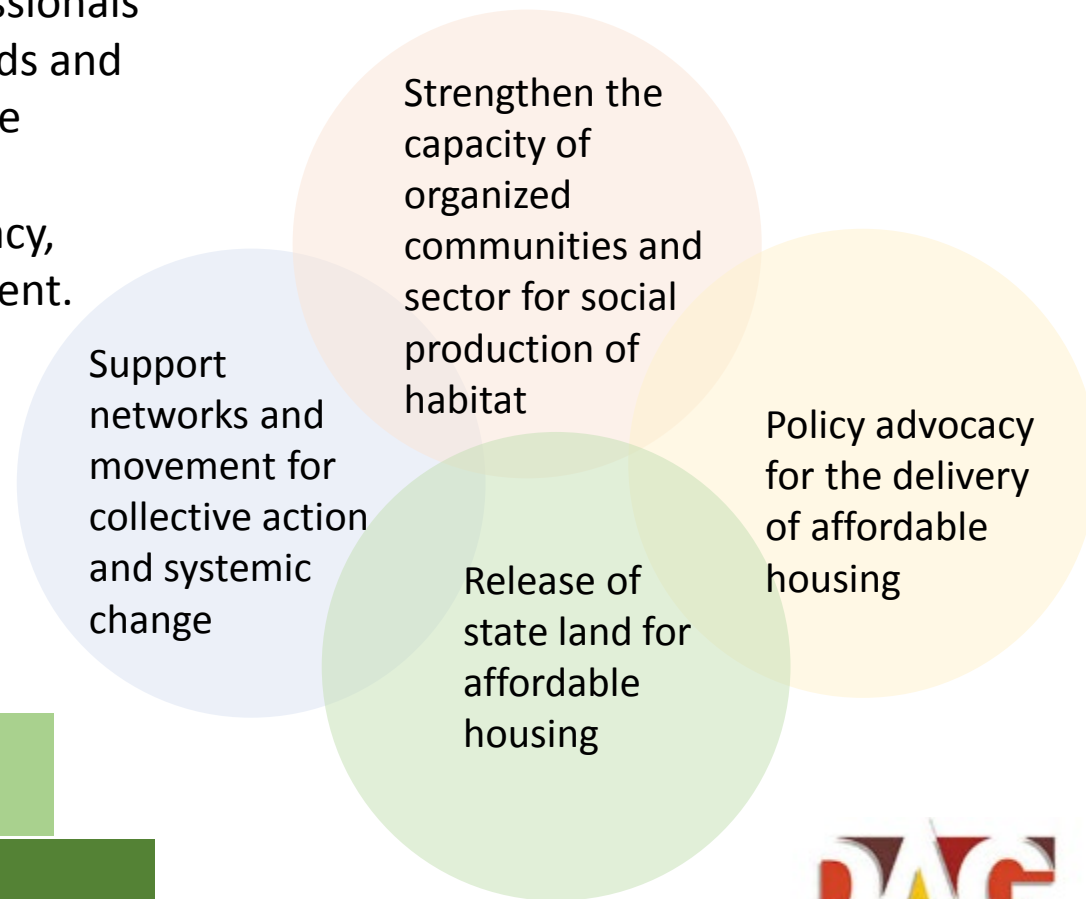
WHO: DAG is an NGO support communities in access to housing, basic services and land

TRACK RECORD: In 1986, a number of activists, academics and built environment professionals formed DAG to resist evictions Crossroads and support communities in resolving service delivery issues. Over the years, the organisation has a rich history of advocacy, implementation and capacity development.

7,896 houses

12,778 households assisted

R203,007,945 finance secured



Demand is high delivery is slow....

Citizen dissatisfaction

5 years ago: **2 protests/ week**

2018: **2 protests/ day**

Housing budget

R33 billion under Vote 38

258 municipalities

30 municipalities contribute to **80%** of the SA economy

Housing

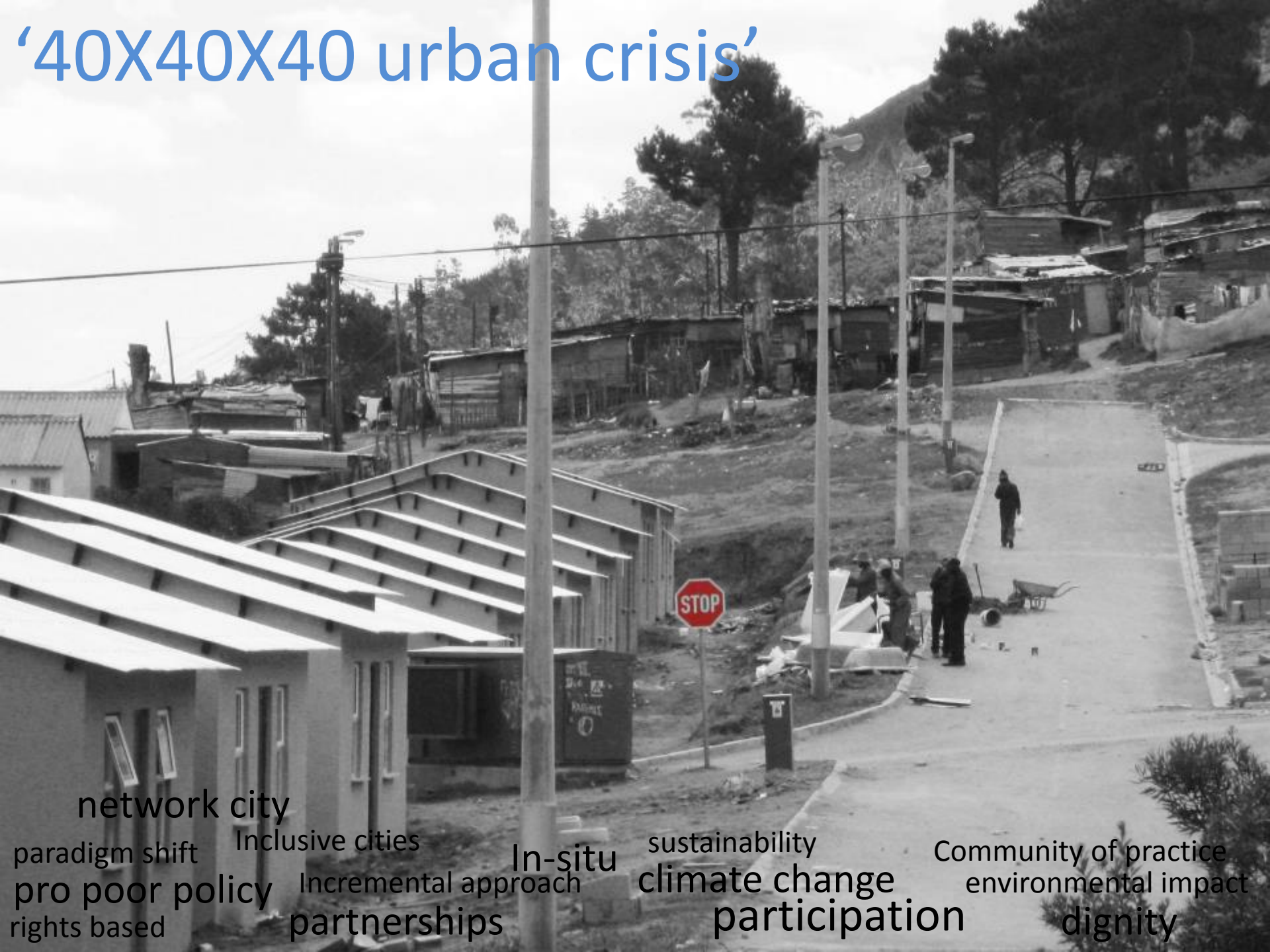
4.0 mi housing opportunities since 1994

2.1 mi backlog (excluding people who are not enlisted on the waiting list)

Informal settlements

1993: 9.7 people in 300 informal settlements

2018: 12.0 mi people in 2400 informal settlements



'40X40X40 urban crisis'

network city

paradigm shift

Inclusive cities

pro poor policy

Incremental approach

rights based

partnerships

In-situ

sustainability

climate change

participation

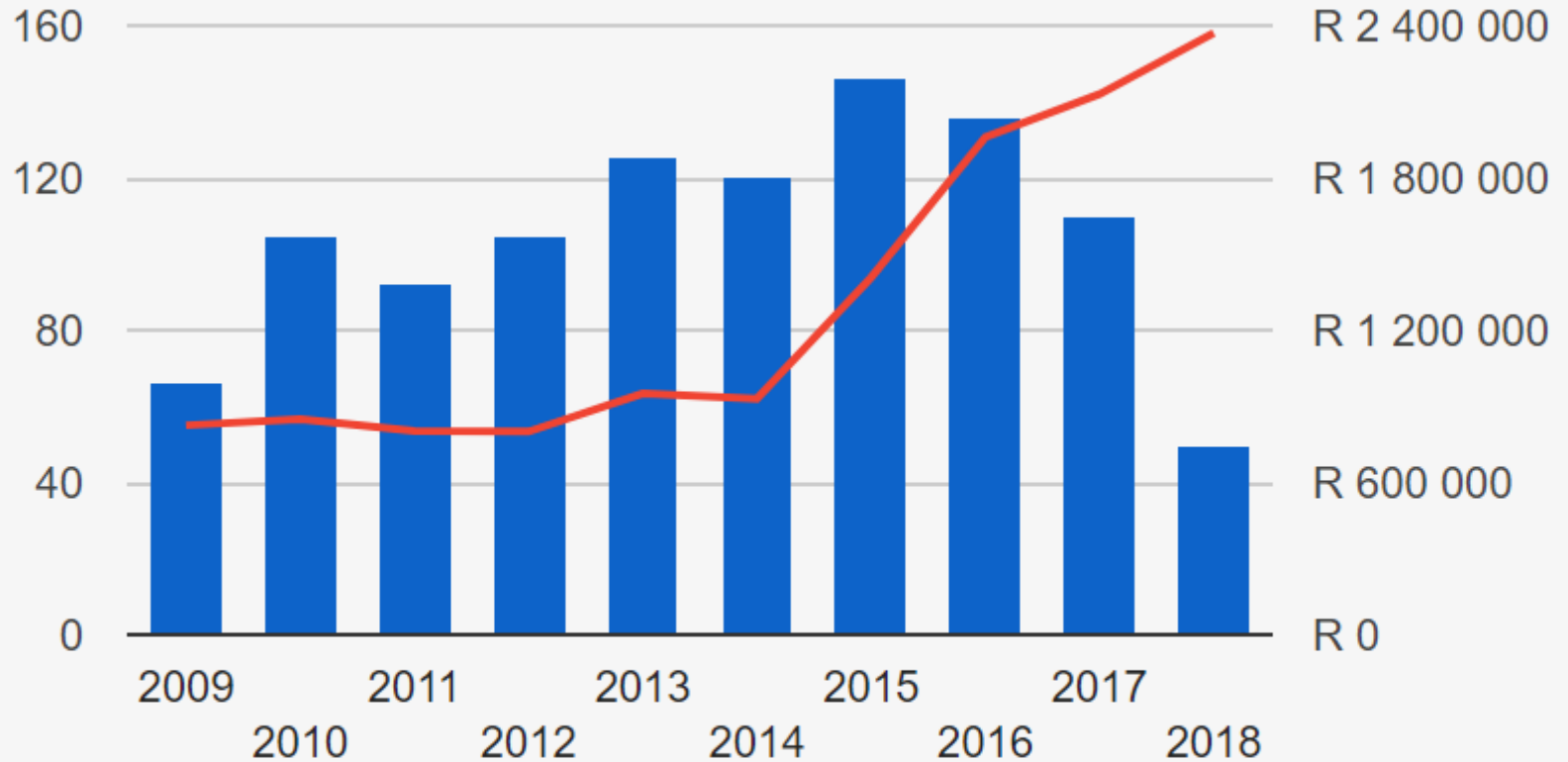
Community of practice


environmental impact


dignity

Reinforcing exclusion

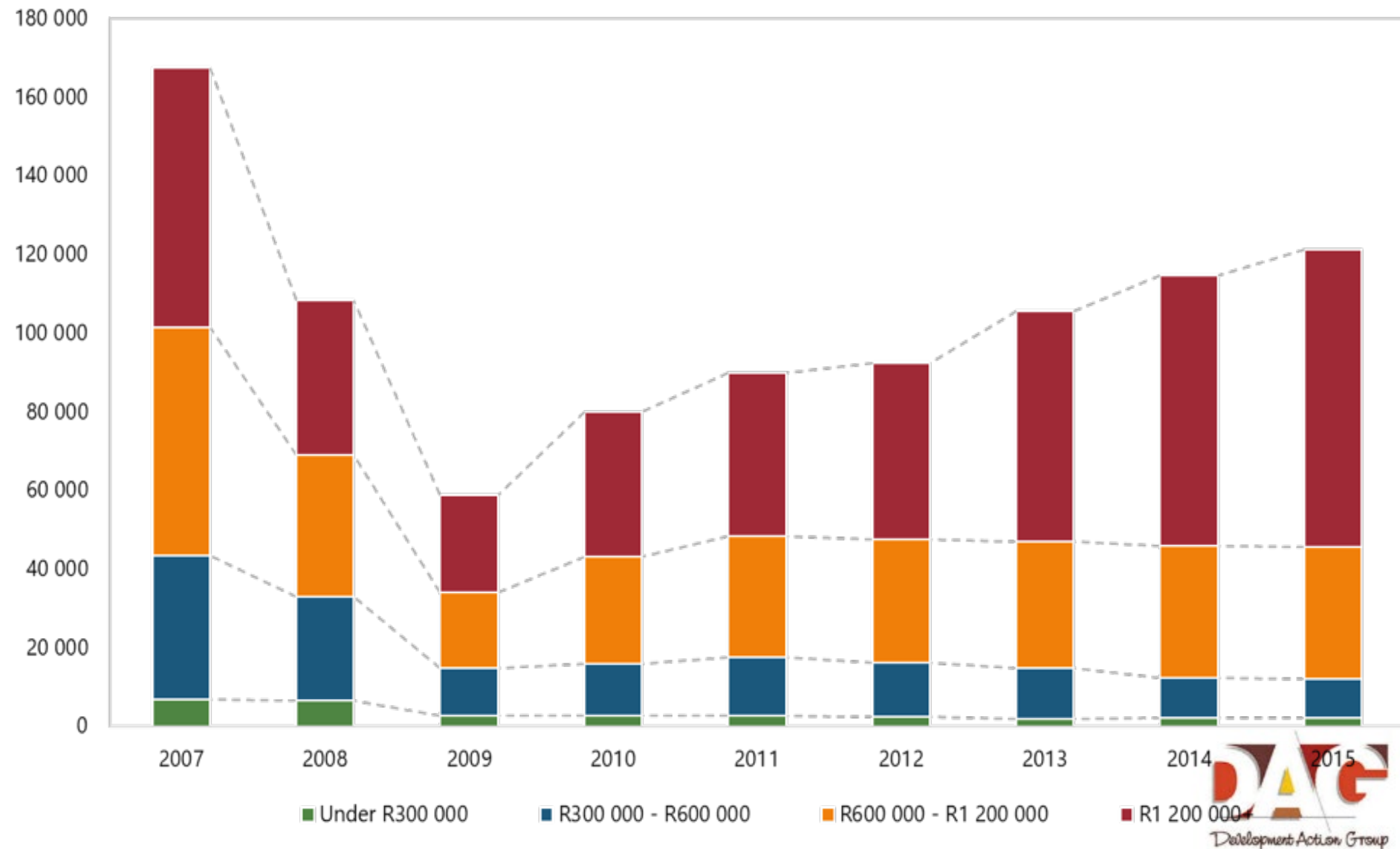
Houses



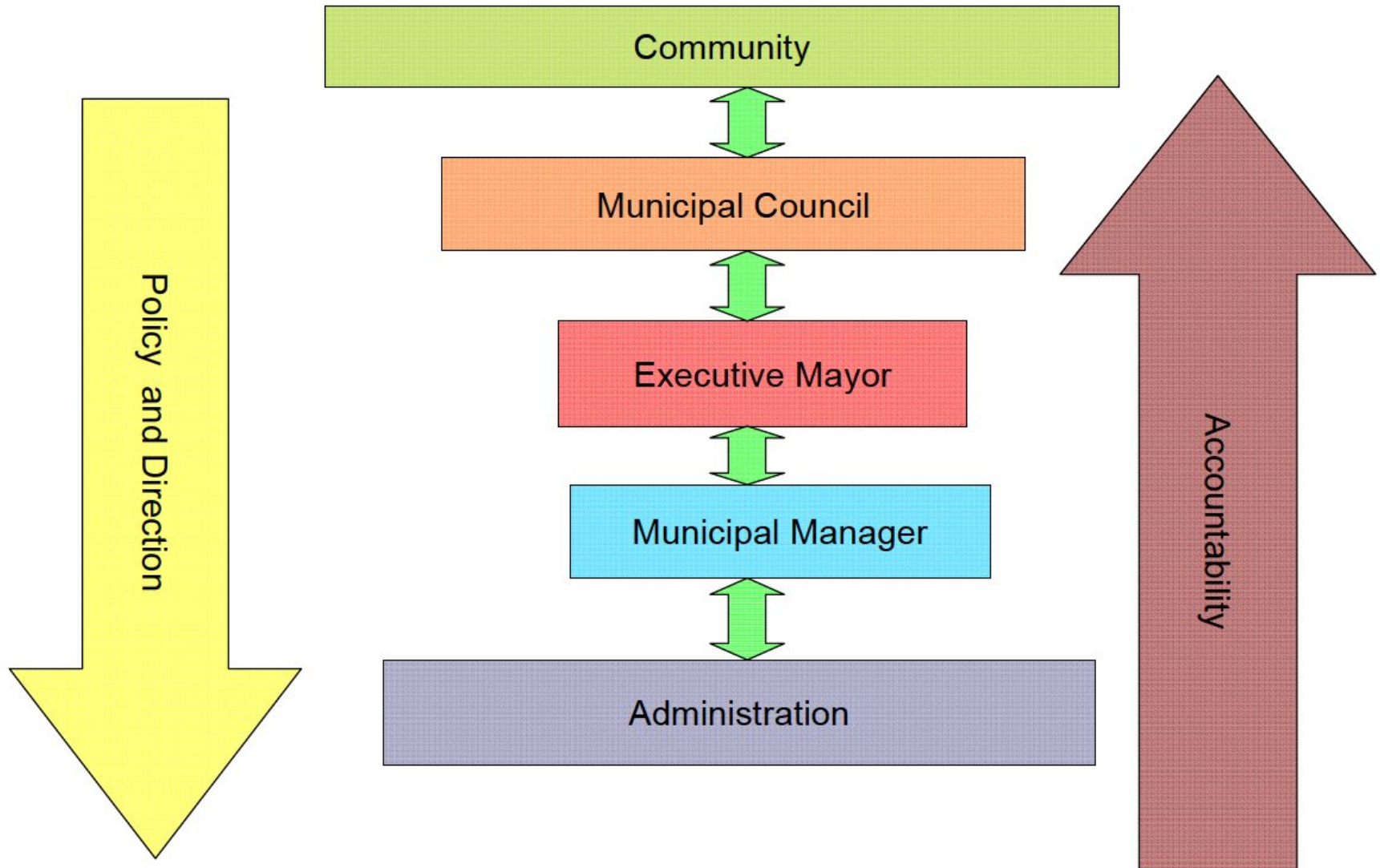
 No. of Sales

 Sale Price

80% of development finance is geared towards 20 % of the population.



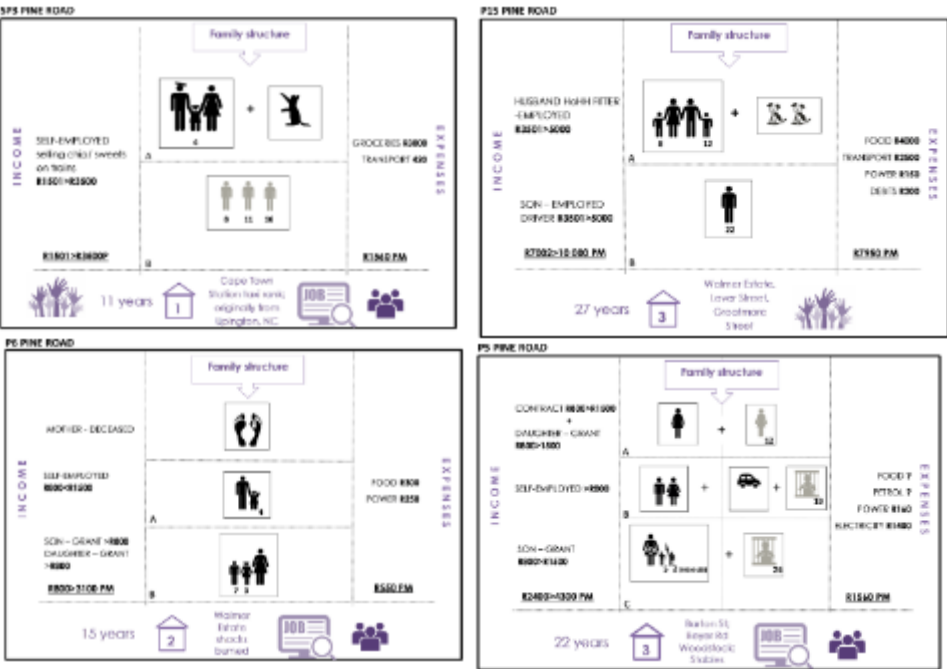
Disconnect and poor participation



Neighborhood in change



ENGAGE. DESIGN. ANALYSE. ADVOCATE



WOODSTOCK AND SALT RIVER PRECINCT AFFORDABLE HOUSING

● SITES AVAILABLE FOR DEVELOPMENT AS AFFORDABLE HOUSING

● SITE FOR FUTURE DEVELOPMENT

● SITES ALREADY ALLOCATED TO SOCIAL HOUSING INSTITUTIONS

● SITES TO BE DEVELOPED FOR TRANSITIONAL HOUSING



New ways of engaging



Capturing the 'unearned' value through infrastructure investment



In conclusion

Housing and land as tools for control and power.....

- Rule based bureaucracy instead of trust based society;**
- Governance of land and housing- who builds and who manages?;**
- Local is lekker- integrated authorities to deal with release of state land for social and affordable housing;**
- An enabling environment to create and manage property value as a consequence of transport investment;**
- Building citizen and neighborhood capacity to deal with complex issues relating to coproduction and cooperative governance.**

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