

Affordable Housing CIP Application

Presented To:	Finance and Administration Committee
Meeting Date:	December 9, 2021
Type:	Managers' Reports
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Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides a recommendation regarding applications for grants through the Affordable Housing Community Improvement Plan.

Resolution

THAT the City of Greater Sudbury approves the Affordable Housing Community Improvement Plan application submitted by Raising the Roof and authorizes staff to enter into any necessary agreements with the property owner, in accordance with By-law 2018-172, as outlined in the report entitled "Affordable Housing CIP Application" from the General Manager of Growth and Infrastructure presented at the Finance and Administration Committee on December 9, 2021.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

The City of Greater Sudbury, through Council's Corporate Strategic Plan (2019-2027) directs staff to prioritize Housing. Objective 5.1 encourages the promotion of the City's existing affordable housing policies and programs such as the Affordable Housing Community Improvement Plan. Increasing the mix in neighbourhood building types is supportive of Goal #1 of the CEEP to create compact, complete communities.

Financial Implications

If approved, the application would result in \$267,285 to be allocated from the Social Housing Capital Reserve Fund. Council allocated \$1,000,000 from the Social Housing Capital Reserve Fund as part of the 2019 Budget Process to fund the Affordable Housing CIP.

Background

In 2018, Council adopted the Affordable Housing Community Improvement Plan (AHCIP) through by-law 2018-172 and designated certain land as a CIP project area through by-law 2018-171. The purpose of the

plan was to use powers afforded through Section 28(7) of the Planning Act to use grants and tax increment financing in order to facilitate the development of more affordable housing units and direct those units to locations where they will benefit from proximity to public and private facilities and services as well as maximize the use of existing infrastructure.

Council's Corporate Strategic Plan (2015-2018) identified the development of an affordable housing strategy, targeted to seniors and those who have low incomes, including policy review, removal of barriers and consideration of incentives as a key priority. One of the key action items identified through this process is to facilitate the provision of affordable housing through incentives which can be provided through a community improvement plan.

On May 13, 2019, through resolution CS2019-09, Council directed staff to begin the process of sale of scattered units as outlined in the Social Housing Revitalization Plan. The Social Housing Revitalization Plan contains a series of recommendations regarding the local housing corporation's stock, as well as issues related to the supply and demand as identified by the Social Housing Registry Waitlist.

Project Description

Raising the Roof is a Charity registered under the *Canada Not-for-Profit Corporations Act*. Raising the Roof is in the process of purchasing five (5) scattered single detached dwellings which were previously part of the community housing portfolio. The dwellings are located at 1498 Kingslea Ct, 1517 Kingslea Ct, 1545 Redfern St, 2247 Madison Ave, and 1829 Madison Ave, in Sudbury. Raising the Roof proposes to renovate the main floors (each of which have 3 bedrooms) and construct 2-bedroom secondary dwelling units in the basements of each home, which will have the effect of turning 5 units into 10.

It is anticipated that construction will begin as early as November 2021, once the purchase of the dwellings has been finalized. Construction will be staggered for each of the 5 homes. It is anticipated that each home renovation will last approximately 6 months, with the project fully completed by the summer of 2023.

Affordability Assessment

The ACHIP sets out a number of criteria related to affordability, locational requirements and design requirements. The AHCIP requires that dwelling units must be rented at or below current average market rents. The rents of both the proposed main floor 3-bedroom units and the proposed 2-bedroom secondary dwelling units are below the 2021 AMR's for their respective unit sizes. The current AMR for a two-bedroom unit is \$1,134, Raising the Roof is proposing a rent of \$907. The current AMR for a three-bedroom unit is \$1,267, Raising the Roof is proposing a rent of \$1,021. The affordability period will be established through an agreement with the City.

Location and Design Criteria

The dwellings are all located in New Sudbury and meet the primary criteria of being located within the built boundary, are transit oriented, have existing servicing and do not have development constraints. The sites also scored well on secondary criteria which include high demand areas, proximity to active transportation, educational facilities, healthcare facilities and retail. Additionally, New Sudbury is an area with longer community housing waitlists demonstrating a demand for affordable units within this part of the City.

The design criteria included the AHCIP generally speaks to exterior design of new affordable housing developments to ensure that they are compatible with development in the neighbourhood. As stated in the Plan, not all design criteria are applicable to the development of second units. In this case the proposed dwellings are existing and fit within the existing neighbourhood. The Plan encourages accessible and energy efficient design as well as the use of durable materials to reduce replacement and repair costs.

Programs Applied For

Raising the Roof has applied for the Planning and Building Permit Fees Rebate Program (\$9,785), the

Second Unit Incentive Program (\$250,000), and the Feasibility Grant Program (\$7,500).

Building Permit Fee Rebate Program

The Building Permit Fee Rebate Program rebates the cost of required building permits to a maximum of \$30,000 for any approved eligible property. Raising the Roof has worked with the Building Services Division to develop estimated permit fees of \$9,785.

Feasibility Study Rebate Program

The Feasibility Study Grant is proposed to cover architectural plans and permit ready drawings to support the building permit applications. A grant up to a maximum of \$5,000 can be applied for per project. It is estimated that the cost will be approximate \$1,500 for each building project for the preparation of architectural plans and permit ready drawings, for a total of \$7,500.

Secondary Dwelling Unit Incentive Program

The Second Unit Incentive Program is intended to encourage the creation of second units by Non-profit or charitable institutions. The program provides a maximum funding amount of 50% of the approved project cost to a maximum of \$50,000. The applicant has submitted a proforma and detailed construction cost estimates to support their request of \$50,000 per project. As per the CIP, funds are not dispersed until paid invoices have been submitted and reviewed to ensure compliance with the Agreement and any building permits are completed and occupancy has been issued.

Summary and Recommendation

Staff have reviewed the above applications and have determined that they meet the requirements set out in the Affordable Housing Community Improvement Plan.

Resources Cited

1. Affordable Housing Community Improvement Plan <https://www.greatersudbury.ca/do-business/planning-and-development/affordable-housing-strategy/housing-strategy-pdfs/affordable-housing-community-improvement-plan/>
2. Affordable Housing Strategy website <https://www.greatersudbury.ca/do-business/planning-and-development/affordable-housing-strategy/>
3. Staff Report, Affordable Housing Community Improvement Plan, July 9, 2018, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=64AB8B75-3E16-43D3-A305-FF91823067DA&Agenda=Agenda&lang=English>
4. Staff Report, Social Housing Revitalization, May 13, 2019, <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=30356>
5. Community Services Resolution, CS2019-09 <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=30363>