

Canada Mortgage and Housing Corporation Rapid Housing Initiative Results for Proposal Results

Presented To:	Finance and Administration Committee
Meeting Date:	August 9, 2022
Type:	Managers' Reports
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Recommended by:	General Manager of Community Development

Report Summary

This report provides a recommendation regarding the results of the request for proposal for the Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) capital project on Lorraine Street, Sudbury, ON.

Resolution

THAT the City of Greater Sudbury approves the tender award of the CMHC RHI capital project to Nomadic Modular Structures Inc. and Buttcon Ltd. in the amount of \$11,997,210.53;

AND THAT the City of Greater Sudbury approves the amount of up to \$6,000,000.00 be utilized from the Social Housing Capital Reserve to offset the balance of funding required to award the contract, as outlined in the report entitled "Canada Mortgage and Housing Corporation Rapid Housing Initiative Results for Proposal Results" from the General Manager of Community Development presented at the Finance and Administration meeting on August 9, 2022.

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

Council endorsed Housing as one of its action plans to improve access for all citizens, especially vulnerable populations, to safe, affordable, attainable, and suitable housing options. Housing was also selected as a priority for Population Health, Community Safety and Well-Being. Greater Sudbury's Community Energy and Emissions Plan (CEEP) sector of Efficient Buildings would align with this new construction project being completed.

Financial Implications

If approved, Canada Mortgage and Housing Corporation has provided \$7,404,322.00, Ministry of Municipal Affairs & Housing through the Ontario Priorities Housing Initiative has provided \$1,016,400, with the balance of up to \$6,000,000 coming from the Social Housing Capital Reserve Fund in order to provide total budget of approximately \$14.4 million for this project. If draw from reserve fund is approved, there would be a remaining balance of approximately \$1.7 million.

Background

At the Finance and Administration meeting of November 3, 2020, Council directed staff via resolution FA2020-61 to prepare a business case for the 2021 budget identifying the cost and source of funding, including any grant opportunities from provincial or federal ministries, required to create transitional housing spaces and appropriate supports.

A business case was prepared for discussion at the 2021 budget deliberations and Resolution FA2021-A17, dated March 11, 2021 was carried.

A report went to City Council on August 17, 2021 requesting permission to submit an application to Canada Mortgage and Housing Corporation for \$7.4 million funding through the Rapid Housing Initiative (RHI) that was earmarked for Greater Sudbury to construct new permanent affordable housing. The resolution also identified the recommended site in which to construct the affordable housing multi-unit residential building. Resolution CC2021-215 was carried.

On October 15, 2021, Canada Mortgage and Housing Corporation advised that the City's submission was approved. Community consultations took place on November 18, 2021, with a plan to return with an update once a design has been finalized.

RFP CDD22-103 - Request for Proposal for Design-Build: Affordable Modular Rental Housing was issued March 30, 2022 and closed on June 3, 2022. A selection committee of staff members from Finance, Housing Services, Strategic and Environmental Planning, Corporate Services, Growth and Infrastructure, and Building Services was established to review the seven (7) proposals that were received.

Based on the outcome of the evaluation, Nomodic Modular Structures Inc and Buttcon Ltd obtained the highest score and are deemed the successful proponent which included a construction cost of \$11,997,210.53, which fell within the anticipated budget. If approved, the total project budget of \$14.4 million includes the contract cost, HST, and contingency. More than half of the funding for the Lorraine Street project is from senior levels of government, with the balance coming from capital reserves, resulting in no municipal tax levy impact.

Next Steps

If approved, the City will be entering into a CCDC14-2013 Design-Build Stipulated Price Contract with the Successful Proponent.

Resources Cited

Canada Mortgage and Housing Corporation – Rapid Housing Initiative report, City Council Meeting, August 17, 2021, <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=40642>