

## Executive Summary

On January 21, 2020 Council approved Resolution CC2020-02 authorizing the application and purchase of 1310 Sparks Street, Sudbury, ON at a maximum cost of \$30,000 through the CMHC Federal Lands Initiative Program funded by the Social Housing Capital Reserve Fund.

On May 5, 2020 the Greater Sudbury Housing Board of Directors was provided an update on the purchase and authorized the Chief Executive Officer (CEO) of the Greater Sudbury Housing Corporation (GSHC) to sign the agreement of purchase and sale and execute the necessary documents to complete the purchase process.

This report seeks approval of Council to utilize funds from the Social Housing Capital Reserve Fund for the acquisition, demolition and redevelopment of the Property as approved by the Greater Sudbury Housing Board of Directors, and to amend the Municipal Capital Facilities By-law 2015-114 with the GSHC to include the property at 1310 Sparks Street.

## Background

The Federal Lands Initiative supports the transfer of surplus federal lands and buildings to eligible proponents. The lands and buildings are available at discounted to no cost to be developed or renovated for use as affordable housing. The discount on the property will depend on the level of social outcomes achieved by the winning proposal. Once transferred, the successful proponent agrees that the property will be developed or renovated into affordable, sustainable, accessible and socially inclusive housing.

Housing Services put forth an expression of Interest on 1310 Sparks Street, Sudbury through the Federal Lands Initiative. New Sudbury was identified in the social housing revitalization plan as one of the geographic areas that lacks subsidized housing and the largest waitlist demand is for one bedroom units.

On January 21, 2020, Council approved the application under this initiative and authorized the use of funds from the Social Housing Capital Reserve Fund to fund the purchase price.

A working group comprised of CGS staff from community development, communications and planning has been developing a community engagement strategy for the project. The strategy will include community consultation throughout the rezoning, planning and development phases to ensure the success of the project.

On May 5, 2020 Council in its capacity as the Greater Sudbury Housing Corporation Board of Directors approved the GSHC Board resolution 20-02 authorizing the CEO to sign and execute the agreement of purchase and sale and other agreements related to this transaction. In addition, the Board requested approval for the use of funds from the Social Housing Capital Reserve fund for the demolition and redevelopment of the property. A copy of the resolution is attached as Appendix A.

## Update on Current Status

The agreement of Purchase and Sale and a Framework agreement were signed and dated on May 13th, indicating a closing date for the purchase of July 8<sup>th</sup>. External legal counsel has been retained by GSHC to execute the transaction. A community consultation process will be undertaken as part of the rezoning process. An RFP for architectural services to design this building in conjunction with community consultation information will be issued.

Expenditures on this project include:

|                              |                 |
|------------------------------|-----------------|
| Purchase Price               | \$23,600        |
| Land Transfer Tax            | \$8,275         |
| Other Fees and Disbursements | <u>\$6,818</u>  |
| Total paid to June 17th      | <u>\$38,693</u> |

Updates will be provided to Council through the redevelopment phases.

## Social Housing Capital Reserve Fund

As per the Reserve Fund By-law 2020-56 the Social Housing Capital Reserve Fund shall be used for Social Housing capital projects as authorized by Council. The balance in the Reserve fund is approximately \$7.1 Million. As previously reported to Council, the estimated cost for the redevelopment project at 1310 Sparks Street is \$5.5 Million. The project budget includes costs for rezoning, community consultation, demolition of the existing structure, hard and soft costs for consulting, design and construction of a 14 unit passive building in accordance with CMHC program guidelines. This report seeks approval of Council to utilize funds from the Social Housing Capital Reserve Fund for the redevelopment of 1310 Sparks Street.

## Municipal Capital Facilities

On June 9, 2015 Council approve a Municipal Capital Facilities for Affordable Housing By-law 2015-113

<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=816&itemid=9230> and a Municipal Capital Facilities agreement with GSHC By-law 2015-114 <https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=816&itemid=9881> which provided property tax exempt status to the GSHC housing properties.

As a result of the purchase of the property at 1310 Sparks Street, this report requests the approval to amend By-law 2015-114 to include the property.