

Presented To:	City Council
Presented:	Tuesday, Dec 12, 2017
Report Date	Tuesday, Nov 21, 2017
Type:	Managers' Reports

Request for Decision

2016 Social Infrastructure Fund (SIF) - Year 3 Notional Allocation

Resolution

THAT the City of Greater Sudbury approves the Direction Required section, as outlined in the report entitled "2016 Social Infrastructure Fund (SIF) - Year 3 Notional Funding Allocation", from the General Manager of Community Development, presented at the City Council meeting on December 12, 2017.

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to participating in senior government housing programs under the Quality of Life and Place Section of the 2015-2018 Corporate Strategic Plan and addresses the Housing and Homelessness Plan endorsed by Council as the 2016 Social Infrastructure Fund will provide opportunities to improve the health and well-being of residents within the community. The investment into Housing also supports the priority within Population Health.

Report Summary

Housing Services received notification by the Ministry of Housing of the Year 3 Notional Funding Allocation of \$865,100 for 2018-2019. A Program Delivery and Fiscal Plan (PDFP) is required to be completed and submitted to the Ministry of Housing by December 31, 2017.

Financial Implications

Senior government program funding will be utilized to offset all program costs and initial administration costs associated with the implementation of the housing programs. There will be no impact on prescribed budgets.

Signed By

Report Prepared By

Cindi Briscoe
Manager, Housing Services
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Division Review

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Financial Implications

Jim Lister
Manager of Financial Planning and
Budgeting
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Recommended by the Department

Catherine Matheson
General Manager of Community
Development
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Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
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BACKGROUND

On June 21, 2016, the Province provided the City of Greater Sudbury (CGS) with a notional allocation for years 1 and 2 under the 2016 SIF Social Infrastructure Fund (SIF). On August 9, 2016, City Council endorsed the municipality's participation in the 2016 Social Infrastructure Fund (SIF) program initiatives, and authorized the Manager of Housing Services to forward the Program Delivery and Fiscal Plan (PDFP) to the Ministry of Housing (Ministry) for funding approval. The City received \$3,493,800 of SIF funding for the construction of affordable housing and \$3,248,600 of Social Housing Improvement Program (SHIP) for the renovation of existing social housing stock.

The 2016 Social Infrastructure Fund, to be delivered under the Investment in Affordable Housing (IAH-E) Program, is a joint initiative between the Federal and Provincial governments that will provide over \$640 million for housing over three (3) years. The SIF housing investments complement the Province's updated Long Term Affordable Housing Strategy.

YEAR 1 & 2 SIF NOTIONAL ALLOCATION

Under the 2016 SIF program the City received an allocation of \$3,248,600 towards the Social Housing Improvement Program (SHIP). The Social Housing Improvement Program is a capital program that aims to improve and preserve the quality of social housing in the province and ensure its long term physical sustainability. Ten (10) social housing providers took advantage of the funding to assist in repairs and improve energy efficiency:

Housing Provider	Funding	Repairs/Retrofits
La Co-operative D'Habitation Antigonish Inc.	\$ 110,000	roofing – replacing all shingles
Greater Sudbury Housing Corporation	\$1,337,100	balcony rail replacement, heating system replacement; LED exterior and interior light installation
Horizon Co-operative Homes Inc.	\$ 150,000	window and patio door replacements
Isles of Innisfree Non-Profit Homes Inc.	\$ 221,500	roof, window, and patio door replacements
Maisons Co-operative St. Jacques Inc.	\$ 210,000	modified unit retrofit; LED light installation; door replacements
Palace Place Co-operative Homes Inc.	\$ 290,000	roof repair, window, patio and door replacements; walkways & entrances repairs
Prism Co-operative Homes Inc.	\$ 275,000	exterior stair replacement
Rockview Seniors Co-operative	\$ 300,000	window and door replacements

Homes Incorporated		
Solidarity Lodge Senior Apartments Sudbury Inc.	\$ 135,000	window, patio door and exterior door replacements
Springhill Co-operative Homes Inc.	\$ 220,000	window, patio door and exterior door replacements
Total SHIP Allocation	\$3,248,600	

Rental Housing Component Request for Proposal

Housing Services issued a Request for Proposal (RFP) February 17, 2017 in the amount of \$3,493,800. The RFP sought proposals from both private and non-profit proponents for the construction and renovation of affordable housing. The target population for this funding included the following: low income seniors, persons with disabilities including adults with developmental disabilities, and four provincial priorities for ending homelessness. Priority was given to proposals that best satisfied the program requirements.

Proponents were required to submit a proposal which demonstrated:

- The project's financial viability and reasonableness in terms of costs, revenues and request for funding;
- The proponent's experience in project development, residential construction, project management, and rental housing management;
- The proponent's capacity to complete the proposed project within Ministry mandated timelines;
- The project's adherence to good planning principles;
- Viable project design;
- The project's long term sustainability; and
- The project would start construction within 4 months after the provincial contribution agreement is signed.

Projects which had obtained a building permit, site plan approval, incorporated both energy efficiency and universal accessibility, proposed a longer affordability period as well as requested minimal funding were given preference in the evaluation.

The RFP was awarded to the March of Dimes Canada Non Profit Housing Corporation. The March of Dimes Canada Non Profit Housing Corporation is currently developing a twelve (12) unit supportive housing structure at 2915 Bancroft Drive in Sudbury, ON. The target population for this project is individuals with Acquired Brain Injuries (ABI) who require affordable, fully accessible housing as well as personal attendant care. This new build will improve access to affordable, safe and suitable housing in a model that has proven to be sustainable at the existing Bancroft Street site. This build assists in addressing the lack of affordable supportive housing for individuals with disabilities in a residential community that has proximity to local amenities. The funding for this project has provided capital support to the construction of the new building, enabling the expansion of 24 hour support services to another twelve individuals with ABI. The twelve (12) units will be fully accessible with

rents under the Investment in Affordable housing guidelines. The affordability term offered is 25 years.

YEAR 3 NOTIONAL ALLOCATION

Under the SIF – AIH Program, the City of Greater Sudbury received \$865,100 for the 2018-2019 funding allocation.

Council has the flexibility to select the capital or operating components they feel will be the best options for the community to assist in one or more of the following priority areas:

- Seniors;
- Persons with disabilities including adults with development disabilities;
- Four (4) provincial priorities for ending homelessness (indigenous peoples, youth, chronically homeless, homelessness following transitions from provincially funded institutions and service systems; or
- Projects that support provincial priorities of transit corridor intensifications and/or community hubs.

The 2016 SIF IAH program offers the following program components to Service Managers:

Capital Components:

Rental Housing (6 units)

The rental housing option will increase the supply of rental housing for households. Eligible projects must be one of the following: new construction, acquisition of and rehabilitation of existing residential buildings to maintain or increase the affordable rental housing stock, or conversion of non-residential buildings or units to purpose built rental buildings/units.

Projects that are not eligible include secondary suites in owner-occupied housing, nursing and retirement homes, social housing projects/units that receive ongoing federal and/or provincial subsidies, shelters and crisis care facilities, owner-occupied housing and student residences. Units must be modest in size and are expected to be self contained. Proponents who wish to develop supportive housing may be eligible for program funding and should provide a rationale in order to receive funding.

Homeownership

The homeownership option aims to assist low to moderate income renter households to purchase affordable homes by providing down payment assistance in the form of a forgivable loan.

To be eligible for down payment assistance, prospective purchasers must:

- Be a renter household buying a sole and principal residence in the Greater Sudbury area;
- Have household income at or below \$85,200 pending Ministry approval;
- The maximum house price is set at \$253,068 pending Ministry approval;

- The program will be delivered through a Homeowner Revolving Fund;
- Down payment mortgage loans of up to \$20,000 would be made available. The mortgage is forgivable after the full 20 year period;
- If the home is sold within the 20 years, the homeowner is required to repay the original loan plus 5% of the capital gain;
- The home must be the applicant's prime residence;
- The Revolving Fund (Fund) must be operational for a minimum of 15 years with a 5 year close out period. The Fund is expected to recycle returned monies;
- Ministry approval for each loan is required; and
- Decisions on the program and program delivery details must be presented to the Ministry in the form of a Housing Development Plan.

Ontario (ON) Renovates

The ON Renovates option assists low to moderate income homeowner households to repair their home to bring it to acceptable standards while improving the energy efficiency of the unit as well as increase accessibility of their unit through modifications and adaptations.

The funding provided would be in the form of a forgivable 10 year loan up to \$20,000. The loan would be repayable should the home be sold prior to the 10 year term. The household income would have to be at or below \$85,200. The actual amount of the loan would be dependent on the cost of the eligible repairs (up to the maximum of \$20,000).

Projects that are not eligible for ON Renovates funding are retirement homes, long term care homes, units not subject to the Residential Tenancies Act, 2006, projects that received funding under AHP (2005), AHP Extension (2009) – Rental and Supportive and IAH – Rental Housing; units for which the homeowner received Homeownership component funding under AHP or IAH, social housing units as defined under the Housing Services Act, 2011, and creation of new rental units (except secondary suites in a single family home and garden suites on the property lot or a primary residence).

Operating Components:

Rent Supplement

A rent supplement is a subsidy paid to the landlord on behalf of a household in need of rental assistance.

Housing Allowance

A housing allowance is a subsidy paid directly to a household in need of rental assistance. Service Managers have the discretion to allow housing allowance payments to be made directly to landlords on their clients' behalf where they deem it appropriate and where the clients have chosen this approach and provided written direction and consent.

Service Managers must give priority to tenants of social housing projects where operating agreements and/or federal subsidies have expired. Providing housing

allowances or rent supplements is intended to promote housing stability for tenants who would otherwise face affordability challenges.

Under the operating component options, Service Managers must make all funding commitments by March 31, 2018 but may extend funding for their clients up to March 31, 2024.

DIRECTION REQUIRED

As the supply and demand for affordable housing does not currently align, Housing Services is recommending that the Capital Component/Rental Housing option be selected and an RFP be issued under the Rental Housing Component of the 2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing (2016 SIF IAH).

Summary of Ministry of Housing Requirements

There are several requirements that need to be endorsed by Council as of December 31, 2017. They are as follows:

- That the City of Greater Sudbury endorse the municipality's participation in the Ministry of 2016 Social Infrastructure Fund – Investment in Affordable Housing (IAH) Program;
- That the Manager of Housing Services be authorized to sign the appropriate Funding Agreements and Take-Up Plans with the Ministry of Housing and with program participants;
- That the Manager of Housing Services be authorized to distribute the 2016 SIF funding in order to deliver the 2016 Social Infrastructure Fund Program;
- That the Manager of Housing Services continue to be authorized to allocate funding received under the Province's Delivering Opportunities for Ontario Renters Program (DOORS) to supplement the various affordable housing programs funding as needed;
- That the City of Greater Sudbury authorize the Manager of Housing Services to adjust the required Ministry documentation (PDFP's, PIF's, etc.) to reflect any changes and/or recommendations required by the Ministry of Housing; and
- That the appropriate by-law be prepared.

NEXT STEPS

Upon receipt of confirmation of approval by the Minister of Housing, Housing Services will enter into the necessary program agreements with the proponents and oversee the development of the approved project(s).

Housing Services is required to submit a Program Delivery and Fiscal Plan (PDFP) to the Ministry of Housing by December 31, 2017 regarding the option selected.

If there are no successful proponents realized through the RFP process then Housing Services be directed to pursue the Housing Allowance Program with the notional allocation received under the 2016 Social Infrastructure Fund (SIF) Program.

REFERENCES

City Council Meeting, May 9, 2017, RFP for 2016 Social Infrastructure Fund – Investment in Affordable Housing,
<https://agendasonline.greatersudbury.ca/?pg=agenda&action=navigator&lang=en&id=1127&itemid=12739>