



Date: October 26, 2021

Report to: Board of Directors
CityHousing Hamilton Corporation

Submitted by: Tom Hunter
Chief Executive
Officer/Secretary

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Senior Development
Project Manager

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Subject: Roxborough Park Development Opportunity (Report #17029(e))

RECOMMENDATION:

That the Board of Directors approve the following resolution:

WHEREAS CITYHOUSING HAMILTON CORPORATION is developing a new affordable housing building as part of the Roxborough redevelopment;

AND WHEREAS a requirement of funding partners is a resolution of support and has been reviewed by legal and will not bind to the receipt of these funds.

THEREFORE, BE IT RESOLVED THAT:

That the Board of Directors acknowledge and support the funding applications to FCM's Green Municipal Fund to contribute towards the development costs associated with the project

A handwritten signature in blue ink that reads "Tom Hunter".

Tom Hunter
Chief Executive Officer/Secretary

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EXECUTIVE SUMMARY:

CHH staff have been working with Roxborough Park Incorporated (RPI) on a mixed income, mixed tenure housing demonstration project in a portion of the McQuesten neighbourhood which substantially rebuilds the existing affordable housing and is intended to stimulate neighbourhood renewal. To bolster the financial effectiveness of this project, funding opportunities with Federal partners have been in review.

The recommended resolution would acknowledge and support the application for funding to the Federation of Canadian Municipalities' (FCM) Sustainable Affordable Housing program. This funding could provide significant grant and loan funding to accompany the funds negotiated on the land sale, the approved City loan, and expected CMHC funding. This acknowledgement and support have been reviewed by our legal team and does not in any way bind CHH to receipt of funds but is simply a requirement of funding to have endorsement from the Board to apply for this funding.

BACKGROUND:

The former Roxborough Park School, which has been closed since June 2015, was purchased by RPI, with the intent of creating a residential development. Consideration by CHH for the inclusion of the CHH owned lands of Lang, Hayes and Reid followed a CHH Portfolio Management Committee meeting on September 16, 2016, when RPI proposed a development collaboration.

At that meeting the following motion was made and unanimously approved: "That staff continue discussions with Roxborough Park Inc. representatives and report back to a future committee with the result of those conversations."

Discussions with RPI continued and a proposed demonstration project was envisioned that included mixed income, mixed tenure units, and redevelopment of existing housing stock that is at the end of its intended lifecycle and requiring significant Capital expenditure to repair.

At the CHH Board of Directors meeting on October 24, 2017, the development of the CHH Lang-Hayes-Reid property in conjunction with the former Roxborough Park School lands was discussed in detail. A recommendation through Report #17029 was subsequently approved which clearly established a number of required conditions to be satisfied in order to proceed with the sale of the CHH lands to RPI and for the purchase of a multi-unit dwelling.

On June 10, 2019, CHH Board of Directors approved the draft Master Development Agreement between the City and RPI.

In Spring 2020 Sustainable Affordable Housing program begin focusing on making more energy-efficient affordable housing stock through new funding available, alongside CMHC’s continued provision of funding through their National Co-investment fund.

In June 2021, CHH pre-application was reviewed by GMF, and was approved to submit a funding application in August 2021, as part of the funding application support from the municipal government is required. A CMHC funding application is currently being reviewing.

DISCUSSION:

The Green Municipal Fund’s (GMF) Sustainable Affordable Housing fund helps projects increase affordability and energy efficiency. As part of the funding eligibility each project must be working towards being net zero and maintain a net annual total energy use intensity of less than 80 kWh/m2 at project completion. If selected, a project can receive up to 20% of eligible project costs at maximum value of \$10M dollars. This financing is received as 50% grant funding and 50% loan. This funding would represent approximately up to 10% or 2.92M in grant as well as 10% or \$2.92M in loan. Funding applications are reviewed and approved on an ongoing basis without specific application period deadlines.

CMHC’s national Co-investment fund could also provide up to 30% or \$8.77M in forgivable loans, if the scoring criteria including affordability, energy efficiency and accessible targets are met. Table 1 highlights the funding for the project if 20% funding is received from both CMHC and FCM. Any additional funding would reduce the need for both the City Loan as well as the approved contribution from the City for cash flow originally estimated at \$400,000 annually in HSC19034.

Table 1

Land Sale	Potential SAH-FCM (20%)	Potential CMHC-Co-Investment (20%)	City Loan	Total
6,733,980.00	5,845,000.00	5,845,000.00	10,801,020.00	29,225,000.00

For applicants such as CHH who are not a municipal government, SAH funding applications must be submitted with a letter of support from the municipal government having jurisdiction. CHH has requested authorization and support from the Board to apply for the GMF Sustainable Affordable Housing fund to help increase the sustainability of this project.

CONCLUSION:

Based on the eligibility requirements from FCM's Sustainable Affordable Housing to have acknowledgement and support of the CHH application, the resolution for the same has been recommended.

ALIGNMENT TO THE 2017-2021 STRATEGIC PLAN:

This report implements:

Healthy and Strong Communities

CityHousing Hamilton believes that housing is a key influential determinant of health and is strongly tied to the quality of life as it impacts the physical, social, emotional and mental health of all persons.

Built Environment and Social Infrastructure

CityHousing Hamilton is committed to finding new ways to be innovative that will contribute a dynamic City characterized by unique infrastructure, buildings, and public spaces. The maintenance, renewal and new development of our housing stock will ensure that the quality of life, well-being and enjoyment of our residents', influences the design and planning of our homes

APPENDICES:

None

TH/sb

Mission: We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.