

Supplementary Budget – Briefing Note

2019 Budget

One page brief per request

Briefing Note required for:

- items >\$50,000
- changes in FTE
- Corporate Strategic Initiatives

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
CHS	Housing Services	Municipal Affordable Housing	Fund 196177 Ont Ltd – 18 Dolsen Ave; Nov 19/18 Council meeting approved Oct 31/18 RTC – RFP R18-233 Recommendation #1	S	\$1,470,000	0.0
CHS	Housing Services	Municipal Affordable Housing	Transfer from net proceeds from the sale of 11 Cecil St. Ridgetown in 2018 (Net proceeds total are \$500,000 less commission fee \$17,500 = \$482,500)	S	(\$117,018)	0.0
CHS	Housing Services	Municipal Affordable Housing	2019 Base budget for creating new affordable housing	B	(\$800,000)	0.0
CHS	Housing Services	Municipal Affordable Housing	Unused balance of 2018 base budget for new affordable housing transferred to reserve	B	(\$552,982)	0.0
			Total		\$0	

Background:

At the Nov 19/18 Council meeting, Council approved recommendation #1 to defer a final decision on awarding funding to the #1 ranked RFP R18-233 project proposal to construct a two-story, 17-unit new build of affordable housing at 18 Dolsen Avenue, Chatham until Council has made a decision on the re-zoning application for said property; and further that it be subject to Council's approval of the requested Zoning By-law Amendment and associated Site Plan Control Agreement for said property.

Comment:

The *Financial Implications* section of the Oct. 31/18 report to Council noted above, advised that 196177 Ontario Limited build submitted with a funding request of \$1,470,000 could be funded from the residual amount of the 2018 municipal affordable housing base budget amount, the 2019 municipal affordable housing amount, and by using net proceeds from the sale of 11 Cecil St., Ridgetown (sold in 2018) to fund the remaining difference. The Municipal affordable housing reserve would have a remaining balance of \$365,482 if Council awards the funding to this project.

Administration would still need to return to Council to obtain approval to proceed with funding the project and to authorize the execution of a Municipal Contribution Agreement. Also a site specific municipal capital facilities by-law would be required to reduce the applicable multi-residential tax rate to the residential tax rate.

Municipality Of Chatham-Kent

Community Human Services

Housing Services

To: Mayor and Members of Council
From: Shelley Wilkins, (Hon) BPA, Director, Housing Services
Date: September 4, 2018
Subject: Results of Request for Proposal # R18-233 Developing Affordable Housing

Recommendations

It is recommended that:

Recommendation 1:

- a. The proposal of 1967177 Ontario Limited to construct a two story 14 unit new build of affordable housing at 18 Dolsen Ave. under the Canada-Ontario Affordable Housing Program Extension (2014), Year 5, be endorsed by Council for funding approval by the Ministry of Municipal Affairs and Housing, for a total funding request of \$1,029,000 (at \$73,500 per unit);
- b. Subject to Ministry of Municipal Affairs and Housing approval to fund 1967177 Ontario Limited for the proposed affordable housing project at 18 Dolsen Ave., Chatham, and subject to Council's approval of a requested Zoning By-law Amendment and associated Site Plan Control Agreement for said property, that Council approve contributing \$441,000 (at \$31,500 per unit) from the Affordable Housing Reserve towards the said project which shall be subject to the terms and conditions of a Municipal Contribution Agreement.
- c. The Mayor and Municipal Clerk be authorized to execute the Investment in Affordable Housing Program Extension (2014), Rental Housing Component, Municipal Contribution Agreement with 1967177 Ontario Limited for the proposal to construct a two-story walk-up, 14 unit affordable housing apartment building at 18 Dolsen Ave., Chatham, subject to the funding approval of both the Ministry of Municipal Affairs and Housing and municipal Council as stated above.
- d. That subject to the execution of the Municipal Contribution Agreement noted above, that the project specific Municipal Capital Facilities By-law for Affordable Housing by 1967177 Ontario Limited, 18 Dolsen Ave., Chatham as set out in Appendix 1 of this report be approved.

Recommendation 2:

- a. The proposal of 1967177 Ontario Limited to construct a two story 12 unit new build of affordable housing at 25 Michener Road, under the Canada-Ontario Affordable Housing Program Extension (2014), Year 5, and Social Infrastructure-Investment in Affordable Housing program, Year 3. be endorsed by Council for funding approval by the Ministry of Municipal Affairs and Housing, for a total funding request of \$846,000 (at \$70,500 per IAHE unit) and \$248,625 (at \$20,718.75 per SIF-IAH unit);
- b. Subject to Ministry of Municipal Affairs and Housing approval to fund 1967177 Ontario Limited for the proposed affordable housing project at 25 Michener Rd, Chatham, that Council approve contributing \$225,375 (at \$18,781.25 per unit) from the Affordable Housing Reserve towards the said project which shall be subject to the terms and conditions of a Municipal Contribution Agreement.
- c. The Mayor and Municipal Clerk be authorized to execute the Investment in Affordable Housing Program Extension (2014), Rental Housing Component, Municipal Contribution Agreement and the Social Infrastructure – Investment in Affordable Housing, Year 3, Rental Housing Component, Municipal Contribution Agreement with 1967177 Ontario Limited for the proposal to construct a two-story walk-up, 12 unit affordable housing apartment building at 25 Michener Rd, Chatham, subject to the funding approval of both the Ministry of Municipal Affairs and Housing and municipal Council as stated above.
- d. That subject to the execution of the Municipal Contribution Agreement/s noted above, that the project specific Municipal Capital Facilities By-law for Affordable Housing by 1967177 Ontario Limited, 25 Michener Rd, Chatham as set out in Appendix 2 of this report be approved.

Recommendation 3:

- a. The proposal of 1967177 Ontario Limited to construct an 8 bedroom congregate living new build semi-detached home, with 4 bedrooms, and 2 full bathrooms and a kitchen, eating and living spaces in each of the two units of affordable housing at 51 Kirk Street., Chatham, under the Canada-Ontario Social Infrastructure-Investment in Affordable Housing program, Year 3. be endorsed by Council for funding approval by the Ministry of Municipal Affairs and Housing, for a total funding request of \$300,000 (at \$37,500 per SIF-IAH congregate living unit);
- b. Subject to Ministry of Municipal Affairs and Housing approval to fund 1967177 Ontario Limited for the proposed affordable housing project at 51 Kirk Street, Chatham, that Council approve contributing \$100,000 (at \$12,500 per congregate living unit) from the Affordable Housing Reserve towards the said project which shall be subject to the terms and conditions of a Municipal Contribution Agreement.

- c. The Mayor and Municipal Clerk be authorized to execute the Social Infrastructure – Investment in Affordable Housing, Year 3, Rental Housing Component, Municipal Contribution Agreement with 1967177 Ontario Limited for the proposal to construct an 8 bedroom semi-detached affordable housing building at 51 Kirk Street, Chatham, subject to the funding approval of both the Ministry of Municipal Affairs and Housing and municipal Council as stated above.

Recommendation 4:

The proposal of Compass Non-Profit Co-operative Homes Inc., in partnership with Clairvue Co-operative Homes Inc., to build an 8 unit affordable housing building (7 – 1 bedroom's and 1 – 2 bedroom units) on existing vacant land owned by Clairvue Co-operative Homes Inc. at 534 St. Clair Street, Chatham and seeking a total of \$928,776.90 in capital funding, be deferred until after the 2019 budget process, and be referred to Council for final approval post the 2019 municipal budget deliberations, subject to said project meeting building site requirements.

Recommendation 5:

The proposal of Compass Non-Profit Co-operative Homes Inc., in partnership with Clairvue Co-operative Homes Inc., to build 13 units of affordable housing at 72 and 72.5 Taylor Ave., Chatham and seeking a total of \$1,597,402 in capital funding, be referred to the National Housing Strategy Co-Investment Fund for funding consideration, with municipal Council endorsement.

Background

On September 8, 2014, Council authorized the execution of the Service Manager Administration Agreement with the Ministry of Municipal Affairs and Housing (MMAH), under the Investment in Affordable Housing for Ontario – 2014 Extension (IAHE). April 13, 2015 Council received an Information Report from the Director of Housing Services with the updated/submitted Program Delivery and Fiscal Plan for the full 6 years of funding under this program. The Director advised that she was seeking MMAH approval to move our planned Rental Housing allocations for Years 3, 4 and 5 to a single year. Under letter dated May 20, 2015, the Assistant Deputy Minister of MMAH authorized this requested change, and the approved rental housing funding was consolidated under Year 5 of the program, at a total of \$1.875 million. This change was reflected in the Director's July 25, 2016 report to Council on the Social Infrastructure Fund (SIF) Administration Agreement and SIF-Investment in Affordable Housing (IAH) Years 1 and 2 funding and SIF-Social Housing Improvement Program (SHIP) Year 1 funding.

At the October 16, 2017 Council meeting, Council authorized execution of the SIF-IAH Agreement to Amend the Service Manager Administration Agreement (adding Year 3, 2018-19). The additional funding provided is \$577,500, split \$548,625 for program expenses and \$28,875 (or 5%) for program administration expenses.

\$766,375 (800,000-33,625) is being funded from the Affordable Housing Reserve

Altogether then, the Director issued a RFP (#R18-233) for a total of up to \$3,223,625 in affordable housing construction, acquisitions, and/or conversion funding to create new affordable housing in Chatham-Kent.

Comments

The Director of Housing Services, with the assistance of the Purchasing Officer, issued Request for Proposal (RFP) # R18-233 on July 11, 2018. A mandatory Respondent's Information meeting was convened on July 23rd and the RFP closed on August 15, 2018. There were a total of 13 Plan Takers; 8 representatives attended the mandatory information meeting, two of whom represented community supportive housing service providers.

A total of five proposals were received from two different proponents. Each proposal received was evaluated based upon (a) experience of the proponents and the proponent's team members; (b) financial viability of the project; (c) project development plan; (c) program targets; and (d) value added included in the project. Proponents had to obtain a minimum of 75% in order to have their affordable housing capital funding request evaluated. Funding requests were worth 30% of the final score. The maximum capital funding, including federal-provincial and municipal is 75% of the cost net of GST/HST rebates or \$125,000 per affordable self-contained unit (i.e., apartment units) or \$50,000 per congregate living bedroom unit.

A RFP Evaluation Committee was established, including representation from Housing Services and Employment and Social Services (Homelessness Prevention Program). Average scores were determined to come to the following final scores:

Proponent	Final Score	Proposal	Partner/s	Capital Funding Request
1967177 Ontario Ltd (T. Zavitz)	93.1	18 Dolsen Ave.; 14 one bedroom units	CMHA – 4 units; 7 units – modified; Work with CKHS and CKESS to fill units	\$105,000 per unit
1967177 Ontario Ltd (T. Zavitz)	92.6	25 Michener Rd; 12 one bedroom units	CMHA – 3 units; 6 units – modified; Work with CKHS and CKESS to fill units	\$110,000 per unit
1967177 Ontario Ltd (T. Zavitz)	87.5	51 Kirk Street 8 bedroom congregate living	Community Living CK for 8 congregate units (head lease agrmt); all units 100% accessible	\$ 50,000 per unit (at max funding per unit)

Proponent	Final Score	Proposal	Partner/s	Capital Funding Request
Compass Non Profit Co-op Homes Inc	79.7	534 St. Clair St.; adding 8 unit building to existing Clairvue Co-op site	Clairvue Co-operative Homes Inc.: owns property; will operate; 1 modified unit	\$116,097.11 per unit (at max funding 75% of net cost)
Compass Non Profit Co-op Homes Inc	77.5	72/72.5 Taylor Ave.; demolish two houses and replace with 13 one bedroom units	Clairvue Co-operative Homes Inc.: to own and operate; 1 modified unit	\$122,877.08 per unit

18 Dolsen Ave. Proposal: This property is currently vacant institutional – a former Anglican Church. A rezoning application is required for this project. A Zoning By-law Amendment application has been submitted to Planning Services and is under review. It is anticipated this application will be brought before Council for consideration at a Statutory Public Meeting by the end of 2018. Site Plan Control approval is also required.

25 Michener Road Proposal: The owner/proponent for this property previously obtained the necessary zoning change for this project to proceed. Site Plan Control is required.

51 Kirk Street Proposal: The proponent has obtained a letter from the Chief Building Official confirming that this property is properly zoned for both a semi-detached unit, as well as a group home.

534 St. Clair St. Proposal: The proponent has obtained a letter from the Chief Building Official confirming that this property is properly zoned for row housing. He notes however that without a site plan they are unable to confirm whether the proposed 8 units and additional parking will fit on the subject property. Site Plan Control is required.

72/72.5 Taylor Ave. Proposal: The proponent has obtained a letter from the Chief Building Official confirming that an apartment building is a permitted use and that the 13 proposed units would fit onto the site. Site Plan Control is required.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

- A Healthy and Safe Community:
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultation

The Purchasing Officer assisted with the RFP process in accordance with corporate policies and procedures.

The Manager, Legal Services was consulted with respect to altering the RFP to allow a single proponent to make multiple RFP submissions. He will also assist with reviewing the final municipal contribution agreements for execution with the successful proponents and reviewing that all registrations on title are completed to his satisfaction.

The RFP Evaluation Committee included the following representatives from Housing Services: Manager, Housing Assets (North); Manager, Housing Assets (South); Tenant Relations Manager; and the Director. The Program Manager, Homelessness Prevention, Employment and Social Services was also on the Committee.

The Revenue Analyst, Financial Services advised that the proposed semi-detached house for congregate living would likely be assessed at the residential rate.

A Financial Analyst I, Financial Services has reviewed and confirmed the financial implications section for accuracy.

The Chief Building Official provided zoning letters to the proponents. These letters were submitted (as required) with their respective RFP submissions.

Financial Implications

The table below sets out the financial implications of recommendations 1, 2 and 3.

	IAHE	SIF-IAH	Affordable Housing Reserve	Total
Funding	(\$1,875,000)	(\$548,625)	(\$766,375)	\$3,190,00
1967177 Ont Ltd – 18 Dolsen Ave Recommendation 1	\$1,029,000		\$441,000	\$1,470,000
1967177 Ont Ltd - 25 Michener Rd Recommendation 2	\$846,000	\$248,625	\$225,375	\$1,320,000
1967177 Ont Ltd - 51 Kirk Street Recommendation 3		\$300,000	\$100,000	\$400,000
Net Amount	\$0	\$0	\$0	(\$0)

With respect to Recommendation 4, the Director intends to return to the new Council (post 2018 election) and seek approval to fund the Compass Non-Profit Co-operative Homes Inc. proposal to add 8 units to the existing Clairvue Co-operative Homes Inc. site from the following sources of revenue:

Affordable Housing Reserve carry forward funds \$ 33,625

2019 municipal affordable housing budget reserve contributions \$800,000

2018 sale of former public housing project at 11 Cecil St for the balance of funding required. (A separate report on the proceeds of the sale of 11 Cecil St., Ridgetown will be brought forward in the future.) The total funding requested by Compass NP Co-op for this project is \$928,776.90.

MMAH has not yet released funding requirements and/or allocations for Service Managers pursuant to its agreement with the federal government under the National

Housing Strategy. However, it has released the amount of funding, application guideline, and application form with respect to the Co-Investment Fund. We are recommending that the fifth proposal be referred to this funding application process, with Council's endorsement. To the best of the Director's knowledge and understanding this endorsement, if given, is at no cost to the Municipality.

Pursuant to MMAH Guidelines and the Service Manager Administration Agreements that Chatham-Kent has executed with MMAH, the Municipality is required to reduce the property taxes on approved multi-residential projects to the single family residential rate. This is achieved and tracked by passing the attached by-laws (Appendices 1 and 2) and issuing grants-in-lieu of the difference between the multi-residential rate and the residential rate. However, with the recent provincial cap on multi-residential tax rates, this differential has already been significantly reduced. Hence, the municipal cost for such differentials is at a reduced rate. The reduction remains in place for the approved affordability period – 25 years, plus 5 years of phase out. This assures the Municipality of 25 years of affordable rents (at 80% of Average Market Rent), plus 5 years to gradually phase out the affordable rents until they are completely up to market rent levels.

Prepared by:

Shelley Wilkins, (Hon) BPA, CMM III
Director, Housing Services

Reviewed by:

Dr. April Rietdyk, RN, BScN, MHS, PHD PUBH
General Manager
Community Human Services

Consulted and confirmed the content of the consultation section of the report by:

Alain Sasseville, CET,
Manager, Housing Assets

Brandon Bechard, B.Arch.Sc, CET
Manager, Housing Assets

Chantal Perry, Program Manager

Dave Taylor, Manager, Legal Services

Hayley Wilbur, Financial Analyst 1

Jennifer Scherle, Purchasing Officer

Kristen Williams, Manager, Tenant Relations

Mark Visser, Revenue Analyst

Paul Lacina CBO

Ryan Jacques, Planner

Attachments:

Appendix 1 – By-law No. – Municipal Capital Facilities By-law for 18 Dolsen Ave.

Appendix 2 – By-law No. – Municipal Capital Facilities By-law for 25 Michener Rd

C: Alain Sasseville, Manager, Housing Assets, Housing Services
Brandon Bechard, Manager, Housing Assets, Housing Services
Chantal Perry, Program Manager, Employment & Social Services
Dave Taylor, Manager, Legal Services, Corporate Services
Hayley Wilbur, Financial Analyst I, Financial Services
Jennifer Scherle, Purchasing Officer, Financial Services
Kristen Williams, Tenant Relations Manager, Housing Services
Mark Visser, Revenue Analyst, Financial Services
Paul Lacina, Chief Building Official, Director, Building and Development Services
Ryan Jacques, Planner, Planning Services

P:\RTC\Community Human Services\2018\Housing\RFP R18-233 RTC.Docx

Municipality Of Chatham-Kent
Community Human Services
Housing Services

To: Mayor and Members of Council
From: Shelley Wilkins, Director, Housing Services
Date: November 8, 2018
Subject: Results of Request for Proposal # R18-233 Developing Affordable Housing, Option 2

Recommendations

It is recommended that:

1. The proposal of 1967177 Ontario Limited to construct a two-story, 14-unit new build of affordable housing at 18 Dolsen Avenue in Chatham be deferred for consideration at a future Council meeting, following Council's decision on the rezoning application for said property; and further, that it be subject to Council's approval of a requested Zoning By-law Amendment and associated Site Plan Control Agreement for said property.
2. The following recommendations of the Director, Housing Services' September 4, 2018 Report to Council, "Results of Request for Proposal # R18-233 Developing Affordable Housing¹," as approved by Council on October 1, 2018 be amended as follows:
 - a. Recommendation 2a, to endorse the proposal of 1967177 Ontario Limited to construct a two-story 12-unit new build of affordable housing at 25 Michener Road, under the Canada-Ontario Affordable Housing Program Extension (2014)(IAHE), Year 5, and Social Infrastructure – Investment in Affordable Housing program (SIF-IAH), Year 3, be changed from a total funding request of \$846,000 (at \$70,500 per IAHE unit) and \$248,625 (at \$20,718.75 per SIF-IAH unit) to a total funding request of \$946,223 (at \$78,851.92 per IAHE unit) and \$248,625 (at \$20,718.75 per SIF-IAH unit).
 - b. Recommendation 2b, to approve a municipal contribution of \$225,375 (at \$18,781.25 per unit), from the municipal Affordable Housing Reserve, subject

¹ Link to the September 4, 2018 Report to Council for the "Results of Request for Proposal # R18-233 Developing Affordable Housing," received at the October 1, 2018 regular meeting of Council:
<https://www.chatham-kent.ca/Council/Meetings/2018/Documents/October/Oct-1-14h.pdf>

to Ministry of Municipal Affairs and Housing (MMAH) funding approval of the project at 25 Michener Road, be changed to a total of \$125,152 in municipal funding from the Affordable Housing Reserve, subject to MMAH funding approval.

- c. No change to Recommendations 2c or 2d (of the previous report²).
- d. No change to Recommendation 3a, b or c (of the previous report³).
- e. Recommendation 4, be changed from deferring the fourth ranked proposal seeking a total of \$928,776.90 in capital funding to the 2019 budget process to:
 - i. Council endorsing the proposal of Clairvue Co-operative Homes Inc. (submitted in partnership with Compass Non-Profit Co-operative Homes Inc.) to build an eight-unit affordable housing building (seven one-bedroom units and one two-bedroom unit) on existing vacant land owned by Clairvue Co-operative Homes Inc. at 534 St. Clair Street in Chatham under the Canada-Ontario Affordable Housing Program Extension (2014), Year 5, for funding approval by the Ministry of Municipal Affairs and Housing for a total funding request of \$928,777 (at \$116,097.11 per unit).
 - ii. Authorize the Mayor and Municipal Clerk to execute the Investment in Affordable Housing Program Extension (2014), Rental Housing Component, Municipal Contribution Agreement with Clairvue Co-operative Homes Inc. to construct an eight-unit new build at 534 St. Clair Street, Chatham, subject to the funding approval of MMAH and the project meeting building site requirements.
 - iii. The Director of Housing Services, as the designated Service Manager representative, be authorized to issue Service Manager Consent to Clairvue Co-operative Homes Inc. to build an eight-unit affordable housing project on its existing social housing property at 534 St. Clair Street, Chatham.
 - iv. The required project-specific Municipal Capital Facilities By-law be brought before Council, subject to MMAH funding for said project having been approved.
- f. No change to Recommendation 5 (of the previous report⁴).

Background

² Ibid

³ Ibid

⁴ Ibid

At the October 1, 2018 regular meeting, Council received and considered the recommendations of the Director, Housing Services regarding “Results of Request for Proposal # R18-233 Developing Affordable Housing.” Council approved recommendations 2, 3, 4 and 5 of the report, and deferred recommendation 1 to the Council meeting of November 19, 2018.

Comments

At the time of preparing the September 4, 2018 report to Council referenced above, it was the Director’s understanding that the rezoning application for 18 Dolsen Avenue, Chatham, was to come before Council on October 1, 2018 before the regular meeting of Council. This did not occur.

At the October 1, 2018 Council meeting, it was questioned why the RFP recommendations were submitted in the order given when Council had not yet decided the rezoning request. There are two reasons for this. First, the funding recommendations contained in the original report reflect the RFP Evaluation final scores and ranking – and hence the more immediate funding available (Investment in Affordable Housing Extension or IAHE, Social Infrastructure Fund – Investment in Affordable Housing or SIF-IAH, and 2018 municipal base budget spending) was recommended for the highest-ranking RFP results. Second, at the time of writing the report to Council, the Director had been of the understanding that the rezoning matter would be addressed at the Planning portion of the meeting, prior to the regular session on October 1, 2018.

However, Planning Services advised that not all the required information was received in time to consider the Zoning By-law Amendment Application complete in order for it to be scheduled for the October 1, 2018 or the November 19, 2018 Council meetings. At the time of writing this report, Planning Services has advised that the Zoning By-law Amendment is still under review and will be scheduled to be heard at a future Council Planning Meeting. All neighboring property owners within the notification area prescribed under the Planning Act will receive formal notice of the Council Planning Meeting at least 20 days in advance, when the meeting is scheduled.

Since the rezoning application for 18 Dolsen Avenue, Chatham has yet to be decided by Council, the Director is recommending that the fourth-ranked RFP submission be moved up, and the first-ranked RFP submission be deferred until the rezoning matter has been decided.

At the October 1, 2018 Council meeting, the Director, Housing Services was asked to come back to Council with a back-up plan to maximize the use of the Canada-Ontario IAHE and SIF-IAH funding, and to avoid potential loss of funding if not committed by December 31, 2018. Subsequent to the Council meeting and Council decision to defer recommendation number 1, the Director also consulted with MMAH. MMAH officials also suggested that the Director prepare a back-up plan to make use of the funding in the timelines required, or risk losing the funding.

The recommendations in this report have the same net impact that the prior report had in terms of total funding available and total funding recommended to be used. These changes ensure that the Municipality of Chatham-Kent can maximize its use of funding allocations under the IAHE and SIF-IAH programs with much less risk of the funding being allocated to another community for failure to meet program deadlines. At the same time, the recommendations of this report are intended to preserve the integrity of the Request For Proposal procurement process, including but not limited to the valid RFP submissions received for RFP R18-233 and the RFP Evaluation Committee results and recommendations to Council.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

The Senior Housing Advisor, Ministry of Municipal Affairs and Housing was consulted with respect to the decision of Council concerning the Results of the RFP R18-233 report to Council on October 1, 2018 as indicated above.

The Manager, Legal Services was consulted with respect to Option 2 as presented in this report and more particularly with respect to preserving the integrity of the procurement process related to awarding contracts as a result of RFP R18-233.

The Director, Planning Services was consulted with respect to the Zoning By-law Amendment application for 18 Dolsen Avenue, Chatham.

The proponent, 196177 Ontario Limited, was consulted and has agreed to the recommendations contained in this report. The proponent has agreed to maintain costs as proposed for the project at 18 Dolsen Avenue (submission to RFP R18-233), Chatham, and subject to funding approval of Council post the 2019 municipal budget.

The proponent's agent, Tim Welch Consulting Inc., was consulted and confirmed the proponent (Clairvue Co-operative Homes Inc.) is in agreement with the recommendations contained in this report.

A Financial Analyst I has reviewed the financial implications of this report for accuracy.

Financial Implications

The tables on pages six and seven demonstrate the financial implications for the funding available, the recommendations made in the prior report (October 1, 2018 Council meeting), and Option 2 now being proposed.

Funding	IAHE	SIF-IAH	Affordable Housing Reserve	Total
Canada-Ontario	(\$1,875,000)	(\$548,625)		(\$2,423,625)
2018 municipal affordable housing			(\$800,000)	
2018 sale of 11 Cecil St., Ridgetown			(\$500,000)	
2018 realtor commission fee for Cecil St. sale			\$17,500	
RFP R18-280 – Vink Consulting contract			\$21,866	(\$1,260,634)
Total Funding Available	(\$1,875,000)	(\$548,625)	(\$1,260,634)	(\$3,684,259)
Funding	IAHE	SIF-IAH	Affordable Housing Reserve	Total
Total Funding Available	(\$1,875,000)	(\$548,625)	(\$1,260,634)	(\$3,684,259)

Option 1 – October 1, 2018 Council Meeting

Funding	IAHE	SIF-IAH	Affordable Housing Reserve	Total
Recommendation #1 18 Dolsen Ave.	\$1,029,000		\$441,000	\$1,470,000
Recommendation #2 25 Michener Rd	\$846,000	\$248,625	\$225,375	\$1,320,000
Recommendation #3		\$300,000	\$100,000	\$400,000
2018 municipal reserve fund balance	\$0	\$0	(\$494,259)	(\$494,259)
2019 municipal affordable housing			(\$800,000)	(\$1,294,259)
Recommendation #4 534 St. Clair St.			\$928,777	(\$365,482)
2019 municipal affordable housing balance	\$0	\$0	(\$365,482)	

Option 2 – November 19, 2018 Council Meeting

Funding	IAHE	SIF-IAH	Affordable Housing Reserve	Total
Recommendation #2a, b 25 Michener Rd	\$946,223	\$248,625	\$125,152	\$1,320,000
Recommendation #2d 51 Kirk St.		\$300,000	\$100,000	\$400,000
Recommendation #2e 534 St. Clair St.	\$928,777			\$928,777
2018 municipal reserve fund balance	\$0	\$0	(\$1,035,482)	(\$1,035,482)
2019 municipal affordable housing			(\$800,000)	(\$1,835,482)
Recommendation #1 18 Dolsen Ave.			\$1,470,000	(\$365,482)
2019 municipal affordable housing balance	\$0	\$0	(\$365,482)	

Attached as Appendix 1 are two of the slides presented to Council at the October 1, 2018 meeting to further clarify the financial implications of RFP R18-233 and R18-280.

Prepared by:

Shelley Wilkins, (Hon) BPA
Director, Housing Services

Reviewed by:

April Rietdyk, RN, BScN, MHS, PHD PUBH
General Manager
Community Human Services

Consulted and confirmed the content of the consultation section of the report by:

John Norton, General Manager
Community Development Services

Bruce McAllister, Director, Planning Services

Hayley Wilbur, Financial Analyst I, Financial Services

Attachment: Appendix 1 – Two slides presented to Council at October 1, 2018 meeting

c: Cynthia Cabral, Senior Housing Advisor, Ministry of Municipal Affairs and Housing
Tim Zavitz, Proponent, 196177 Ontario Limited
Drew Goursky, Housing Consultant, Tim Welch Consulting Inc. (agent for Clairvue
Co-operative Homes Inc., in partnership with Compass Non-profit Co-operative
Homes Inc.

P:\RTC\Community Human Services\2018\Housing\RFP R18-233 Option 2.Docx