



City of
Peterborough

To: Members of the General Committee

From: Sheldon Laidman, Commissioner of Community Services

Meeting Date: January 18, 2021

Subject: Report CSSS21-002
Affordable Housing – 137 Rubidge Street

Purpose

A report to recommend approval of specific municipal incentives and capital funding for 8 units of affordable rental housing for people experiencing homelessness through the Social Services Relief Fund (SSRF).

Recommendations

That Council approve the recommendations outlined in Report CSSS21-002, dated January 18, 2021, of the Commissioner of Community Services, as follows:

- a) That up to \$784,500 in capital funding be approved for eight (8) additional affordable rental units at 137 Rubidge Street (2511514 ONTARIO INC.), using SSRF Phase 2 program funding,
- b) That the Affordable Housing Community Improvement Plan program application be approved for the proposed 8-unit affordable rental housing project at 137 Rubidge Street Peterborough, in accordance with Report CSSS21-002;
- c) That a By-law be adopted authorizing City Council to designate the portion of the property related to affordable rental housing 8 units at 137 Rubidge Street Peterborough as a Municipal Housing Facility, in accordance with By-law Number 12-094,
- d) That up to \$629,588 in value be provided under the Municipal Housing Facilities By-Law and Affordable Housing Community Improvement Plan program for

municipal fees, Development Charges and property tax incentives as described in Table 1 of this report;

- e) That any remaining unspent SSRF program funds be used towards the \$629,588 value in the Affordable Housing Community Improvement Plan program (Table 1) for various municipal fees; and
- f) That the Mayor and Clerk be authorized to execute agreements for the provision of funding and to ensure affordable rents and selection of eligible tenants from the By-Name Priority List to give effect to the recommendations in Report CSSS21-002, on terms acceptable to the Commissioner of Community Services and in forms satisfactory to the City Solicitor.

Budget and Financial Implications

The value of the municipal incentives for affordable housing is largely derived from forgone revenue from fees, charges and property tax that would normally be charged by the City. The SSRF is 100% federal-provincial funding. Adequate Housing reserve funds are available to cover all items in Table 1. The breakdown of these incentives is outlined in Table 1 below.

Municipal Incentive for Affordable Housing	Amount
Municipal Housing Facility - Development Charge Exemption	\$173,158
Affordable Housing Community Improvement Plan - Site Plan Application Fee Refund	\$1,320
Affordable Housing Community Improvement Plan - Municipal property tax increment	\$116,000
Affordable Housing Community Improvement Plan - Cash in lieu of parking	\$55,860
Central Area Community Improvement Plan - Parkland Levy Refund	\$84,000
Central Area Community Improvement Plan - Building Permit Fee Refund	\$21,000
Municipal Housing Facility - 10-year MHF property tax exemption	\$178,250
Social Services Relief Fund -Provincial capital funding	\$784,500

Total	\$1,414,088
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Background

137 Rubidge Street

137 Rubidge Street is adjacent to 143 Rubidge Street, a project that received Affordable Housing funding to develop 6 units dedicated to New Canadians and individuals experiencing homelessness. This new project will create 8 one-bedroom units that will be dedicated to the By-Name Priority List of people experiencing homelessness. The project has previously received all required planning approvals.

Rent Levels

Rents for units funded by federal-provincial affordable housing programs must be set at 80% of Average Market Rent (AMR). This means that rents for 1-bedroom units in this project would be approximately \$760 per month. The Canada Mortgage and Housing Corporation (CMHC) publishes the AMR for Peterborough annually. The City reviews and publishes income thresholds and rents for affordable housing program units in an annual Rent Setting Memo. Actual rents charged will be determined in the year the units are occupied.

Tenants will be enrolled in the Canada-Ontario Housing Benefit program, which will subsidize their rent down to either 30% of income or their maximum shelter allowance, as applicable.

Tenant Selection

Tenants in these 2 units will be selected with the guidance of City staff, ensuring people on the By-Name Priority List for people experiencing homelessness are offered opportunities to be housed. Tenants will be selected from the By-Name Priority List on the basis that appropriate supports and rent supplements are available to ensure they can be stably housed.

Social Services Relief Fund

The SSRF was announced in April 2020 to provide immediate assistance to communities in response to the COVID-19 crisis. The City of Peterborough, as Service Manager for the City and County of Peterborough, received \$1,101,100 in Phase 1 funding, which was allocated to the emergency response to homelessness in the COVID-19 environment, by providing emergency shelter in the Peterborough Sport and Wellness Centre, Isolation Shelters in motels for people who are waiting for COVID-19 test results, food service, delivery, security, and transportation of individuals to and from the Isolation Shelter.

In August 2020 SSRF Phase 2 was announced with an additional commitment of \$1,924,741. This phase is intended to provide a rapid response to create longer-term solutions for vulnerable people who are at risk of or experiencing homelessness. Phase 2 specifically provides funding under a capital stream, to support development of new rental housing.

For Phase 2 funding, Service Managers were required to provide a business case to the Ministry of Municipal Affairs and Housing for their spending plan. In the business case, staff worked to balance the need for immediate shelter response against the possibility of new builds. The City included several possible projects, including the Mount and 137 Rubidge Street.

Several shifts in planning for a longer-term site for the Overflow Shelter resulted in the use of 210 Wolfe Street for this purpose. Since the new Wolfe Street shelter was the priority, until the final capital costs of converting the building and operating the Overflow Shelter with 24/7 services could be finalized, it was unclear whether, or how much funding would be available for the proposed capital projects.

Program Objectives and Requirements

One of the key objectives for the capital component of the SSRF is to provide longer-term housing-based solutions to homelessness post-COVID-19 outbreak. Units must begin construction within 90 days of signing a Contribution Agreement and must be completed by December 31, 2021.

Funding under the capital component must be committed by January 31, 2021 and must be spent by December 31, 2021. Any funding remaining to be committed after January 31, 2021 may be reallocated to another Service Manager area. The owner of the project is confident that this project can be completed within the timeframe required of the funding.

Terms and Conditions of the City's Legal Agreement for 137 Rubidge Street

A legal agreement which contains an accountability framework will be structured as a charge for the value of capital funding, foregone municipal fees, and charges, and will be registered on the title of the property.

The legal agreement will contain the following terms and conditions:

- A 20-year Affordability Period – period that rents must remain at or below 80% of AMR, calculated annually by CMHC;
- Process for Income Screening for new tenants – the method and criteria for selecting incoming tenants and the maximum income for those tenants;
- Adherence to Property Standards By-law and Site Plan Agreement;
- Insurance – City approval of insurers and the insurance policies carried by the owner/landlord, including the limits of coverage and the provisions thereof;

- Initial and Annual Occupancy Reporting – the information required from the owner/landlord to ensure compliance with programs; and
- Consequences of Sale or Default – the steps to be followed should the property be sold or should default occur.

Summary

Funding provided through the SSRF and the City's Affordable Housing incentives program will allow for 8 affordable units to be created at 137 Rubidge Street to provide longer term housing-based solutions to those experiencing homelessness due to the Covid-19 pandemic.

Submitted by,

Sheldon Laidman
Commissioner of Community Services

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