10TH REPORT OF THE
COUNCIL HOUSING LEADERSHIP COMMITTEE

Meeting held on November 11, 2009, commencing at 5:00 p.m.

PRESENT: Councillor S. E. Eagle (Chair), Controller G. Barber and Councillors S. Orser, H. L. Usher and D. Winninger and B. Mercier (Secretary).


I YOUR COMMITTEE RECOMMENDS:

1. (4) That, on the recommendation of the General Manager of Planning and Development, the following actions be taken with respect to revisions to the project proposal for 590 Grosvenor Street originally approved by Municipal Council on July 27, 2009 under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, EOI 09-11:

(a) Riverstone Developments Inc. **BE APPROVED** to receive a municipal allocation of $1,440,000 from Delivering Opportunities for Ontario Renters (DOOR) funding for twelve (12) supportive housing units; and

(b) the above-noted recommendation **BE FORWARDED** to the Community and Protective Services Committee (CPSC) on December 7, 2009 along with the attached Sources of Financing Report for the allocation of $1,440,000 DOOR funding;

it being noted that the Council Housing Leadership Committee (CHLC) reviewed and received the attached report dated November 11, 2009 from the General Manager of Planning and Development, with respect to this matter.

Recommendations for the Proposals under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension

2. (5) That, on the recommendation of the General Manager of Planning and Development, the following actions be taken with respect to the project proposals received under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension Request for Proposals RFP 09-27, Later Starts:

(a) the following project proposals received under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension Request for Proposals RFP 09-27, Later Starts, **BE APPROVED**:

(i) the Hampton Group receive a municipal allocation of $15,000 per unit for thirty-nine (39) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $780,000 and a federal/provincial allocation of $100,000 per unit for a thirty-nine (39) AHP unit seniors' project located at 162 Wortley Road;

(ii) the London Property Corporation receive a municipal allocation of $15,000 per unit for seventy-eight (78) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $1,560,000 and a federal/provincial allocation of $120,000 per unit for a seventy-eight (78) AHP unit seniors' project located at 2635 Bateman Trail;

(iii) Westany Holdings Inc. receive a municipal allocation of $15,000 per unit for forty-six (46) AHP units plus $5,000 per unit for four (4) accessible units for a total municipal allocation of $710,000 and a federal/provincial allocation of $120,000 per unit for a forty-six (46) AHP unit seniors' project located at 188-194 Dundas Street;

(b) the above-noted project proposals **BE FORWARDED** to the Province for program funding approval under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, Year Two Funding;

(c) any project proposals previously approved by Council on July 27, 2009 under EOI 09-11, but not yet approved by the Province, **BE RESUBMITTED** to the Province for program funding approval under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, Year Two Funding; subject to the Proponents' continued interest in participating
the above-noted recommendations **BE FORWARDED** to the Community & Protective Services Committee on December 7, 2009 along with the attached Sources of Financing Report for the final municipal allocation of $3,050,000;

it being noted that the Council Housing Leadership Committee (CHLC) reviewed and received the attached report dated November 11, 2009 from the General Manager of Planning and Development, with respect to this matter.

3. (11) That, on the recommendation of the General Manager of Planning and Development and the General Manager of Community Services, the following actions be taken with respect to the City of London's response to the Ontario Long-Term Affordable Housing Strategy (LTAHS) Consultation:

(a) the Mayor **BE REQUESTED** to write a letter to the Premier of Ontario and the Minister of Municipal Affairs and Housing, with copies to the Association of Municipalities of Ontario, the Ontario Municipal Social Services Association, the Honourable Diane Finley, Federal Minister of Human Resources and Skills Development and the Federation of Canadian Municipalities, providing the attached City of London report to the Province and urging the Minister of Municipal Affairs and Housing to consider and take action on the following key recommendations:

(i) encourage the Federal Government to develop a national housing and homelessness strategy;

(ii) the Federal and Provincial governments must provide ongoing and sustainable funding under the Canada-Ontario Affordable Housing Program, as well as support services that help ensure housing stability and retention;

(iii) the Federal and Provincial governments must work more closely to align and harmonize programs and services, in order to make affordable housing options more responsive, accessible, and manageable for service-users and managers; and,

(iv) the Federal and Provincial governments must recognize and respect local authority for local decisions for local service delivery and move to a Service Manager plan-based funding model;

(b) the Mayor and the Chair of the Council Housing Leadership Committee (CHLC) **BE REQUESTED** to communicate with the Minister of Municipal Affairs and Housing with respect to the City of London's interest in working together to establish a model for more coordinated Provincial/Municipal planning of affordable housing and homelessness strategies, recognizing municipalities as the key service partners in these areas; and,

it being noted that:

- the need for affordable and sustainable housing impacts one in every six Canadian households, and;

- the content of this report was assembled through public consultation and through other relevant local affordable housing discussions and Municipal Council directions;

it being further noted that Council Housing Leadership Committee (CHLC) requested that the Director of Municipal Housing prepare a profile of the City of London housing statistics to be included with the above-noted report to the province.

II YOUR COMMITTEE REPORTS:

Outline of a Request for Proposal for the Development of a 'Homelessness to Housing Strategy'

4. (6) That the Council Housing Leadership Committee (CHLC) reviewed and received an information report dated November 11, 2009 from the Director of Municipal Housing and heard a verbal delegation from S. Giustizia, Manager, Social & Community Support Services, with respect to the outline of a Request for
Proposal for the development of a ‘Homelessness to Housing Strategy’; it being noted that the CHLC asked Staff to provide a revised timeline with expected deliverables as it relates to a ‘Homelessness to Housing Strategy’ at its next meeting to be held on December 9, 2009.

5. (7) That the Council Housing Leadership Committee (CHLC) reviewed and received a report dated November 11, 2009 from the Director of Municipal Housing, and heard a verbal delegation from J. Jackson, Manager, Risk Management, with respect to the Risk Management Division’s draft submission to the Ministry of Municipal Affairs and Housing 2009 Long-Term Affordable Housing Strategy Consultation related to the insurance requirements in the Social Housing Reform Act (2000); the following was noted:

(a) the CHLC approved the draft submission noted above, subject to final editing by the Civic Administration; and,

(b) the CHLC asked that, should the London and Middlesex Housing Corporation consider not obtaining its insurance through the Social Housing Services Corporation, Risk Management include an impact statement on how the City’s remaining social housing providers will be affected prior to any such actions being approved by Municipal Council.

6. (10) That the Council Housing Leadership Committee (CHLC) reviewed and received its Deferred Matters list, as at November 11, 2009.

7. That the Council Housing Leadership Committee (CHLC) noted and filed the following:

(a) (1) the 9th Report of the Council Housing Leadership Committee (CHLC) from its meeting held on October 6, 2009;

(b) (2) a Municipal Council resolution adopted at its meeting held on October 5, 2009 with respect to the insurance requirements in the Social Housing Reform Act (2000);

(c) (3) a Municipal Council resolution adopted at its meeting held on October 26, 2009 with respect to the Homeownership Component of the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension;

(d) (8) a notice from the Canada Mortgage and Housing Corporation and the City of London, with respect to an invitation to a celebration of the National Housing Day to be held on November 24, 2009;

(e) (9) a communication dated October 19, 2009 from the Ontario Aboriginal Housing Services, with respect to $20.4 million in funding to deliver 144 units under the First Nation, Inuit, Métis Urban and Rural Housing Rental Component Program; and,

(f) (12) a communication dated November 9, 2009 from the Canada Mortgage and Housing Corporation (CMHC), with respect to an October increase in apartment and detached home starts in London, ON.

8. That Councillor S. Orser disclosed a pecuniary interest in clause 1 of this Report having to do with the reallocation of program funding for Riverstone Developments Inc. for the affordable housing project at 590 Grosvenor Street by indicating that he lives in the area of the subject property.

9. That the next meeting of the Council Housing Leadership Committee will be held on November 24, 2009 commencing at 5:00 p.m.

The meeting adjourned at 6:32 p.m.
RE: Reallocation of Program Funding for
Riverstone Developments Inc. - 590 Grosvenor Street
DOOR Funding - $1,440,000

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:
Finance and Corporate Services confirms that the Municipal contribution can be accommodated from the Affordable Housing Reserve Fund, and that subject to the adoption of the recommendation of the General Manager of Planning and Development, the detailed source of financing for this request is:

<table>
<thead>
<tr>
<th>ESTIMATED EXPENDITURES</th>
<th>This Submission</th>
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</thead>
<tbody>
<tr>
<td>Riverstone Developments Inc. - 590 Grosvenor Street</td>
<td>$1,440,000</td>
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<thead>
<tr>
<th>NET ESTIMATED EXPENDITURES</th>
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<tbody>
<tr>
<td>$1,440,000</td>
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<tr>
<th>SOURCE OF FINANCING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Drawdown from Affordable Housing Reserve Fund</td>
<td>$1,440,000</td>
</tr>
</tbody>
</table>

NOTE:
1) The uncommitted balance in the New Affordable Housing Reserve Fund will be approximately $3,298,000 with the approval of this project.

EH

Martha Hayward
Director of Financial Planning & Policy
COUNCIL HOUSING LEADERSHIP COMMITTEE
MEETING ON
November 11, 2009

TO: CHAIR AND MEMBERS
COUNCIL HOUSING LEADERSHIP COMMITTEE

FROM: R.W. PANZER
GENERAL MANAGER OF PLANNING AND DEVELOPMENT

SUBJECT: REALLOCATION OF PROGRAM FUNDING FOR RIVERSTONE DEVELOPMENTS INC. AFFORDABLE HOUSING PROJECT AT 390 GROSVENOR STREET

RECOMMENDATION

That, on the recommendation of the General Manager of Planning and Development, the following action BE APPROVED with respect to revisions to the project proposal for 590 Grosvenor Street originally approved by Municipal Council on July 27, 2009 under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, EOI 09-11:

(a) Riverstone Developments Inc. receive a municipal allocation of $1,440,000 from Delivering Opportunities for Ontario Renters (DOOR) funding for twelve (12) supportive housing units.; and

(b) This recommendation be forwarded to the Community & Protective Services Committee on December 7, 2009 along with a Sources of Financing Report for the allocation of $1,440,000 DOOR funding recommended above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

COMMUNITY AND PROTECTIVE SERVICES COMMITTEE
November 25, 2002 – Municipal Housing Facilities By-Law

COUNCIL HOUSING LEADERSHIP COMMITTEE
May 19, 2009
Recommendations for Proposals to go Forward under the Canada-Ontario Affordable Housing Program and the Federal/Provincial Economic Stimulus Package
July 20, 2009
Recommendations for Construction-Ready Proposals under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension

BACKGROUND

In 2001 with revisions in 2006 and 2008, City Council approved the criteria for use of the Affordable Housing Capital Reserve Fund (AHCDF) to create new affordable rental housing. Affordable housing development proposals to be considered for AHCDF allocations include the construction of new affordable housing, the acquisition and conversion of non-residential buildings to affordable housing, the acquisition and rehabilitation of substandard residential buildings and the expansion of existing affordable housing stock to provide adequate, affordable housing. Contributions from the Affordable Housing Capital Reserve Fund to selected projects may be approved in amounts up to $15,000 per unit. Such funding will be in the form of a
forgivable loan and may be used for municipal fees or charges and for capital costs. As per the City of London Accessibility Plan, an additional $5,000 per unit can be allocated to assist with the extra cost of creating modified units.

DOOR Funding

As part of the provincial budget on March 22, 2007, funding was announced to create new affordable housing opportunities for those in need. One of the initiatives in the provincial strategy was called DOOR (Delivering Opportunities for Ontario Renters). The City of London received a one-time capital grant of $3.425 million under the DOOR program "to create new rental housing for low-income families." DOOR funding has been allocated to several new affordable housing projects in London approved by Municipal Council.

Riverstone Developments Inc.

On July 27, 2009, under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension EO1 09-11, Council approved the proposed housing development and associated program funding for the Nelms Group & Alice Saddy Association which received a municipal allocation of $15,000 per unit for twelve (12) AHP housing units, plus an allocation of $5,000 per unit for accessibility, plus an allocation of $6,208.33 per unit to offset municipal fees for supportive units, for a total municipal allocation of $314,500 for their proposed project located at 590 Grosvenor Street (the former Church of the Redeemer at the corner of Grosvenor and Adelaide).

The Nelms Group subsequently formed a new corporation called Riverstone Developments Inc. to partner with the Alice Saddy Association at 590 Grosvenor.

Initial funding proposed for Riverstone Developments Inc. for the 12 supportive housing units was to be allocated from two funding sources as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>Allocation</th>
</tr>
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<tbody>
<tr>
<td>AHCRF</td>
<td>$314,500</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,754,500</td>
</tr>
</tbody>
</table>

The City of London forwarded the above-noted project proposal to the Province for program funding approval under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension for a federal/provincial allocation of $120,000 per unit.

Provincial Allocations

The Province had approximately $226M for Year One of the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension. There were no notional allocations by service manager/municipality.

The Province allocated $87.5 M in round-one also known as Quick Starts, announced in June. The City of London received funding for two Council-approved proposals which had been sent to MMAH in the fall of 2008: 6 units in Glencoe and 39 units at 333-337 Southdale Road East.

In July 2009, because King Street Holdings Ltd. received a federal/provincial allocation under the AHP 2008 Extension program for thirty-nine (39) affordable units for its proposed project at 333-337 Southdale Road East; the previously approved municipal allocation of DOOR funding to the King Street Holdings Ltd. project was reduced by $1,537,327. The DOOR funding that was no longer required for this project was returned to the City's Affordable Housing Capital Reserve fund for future projects. This left a balance of $1,637,880 remaining in the DOOR fund.

The Province then allocated $84.8 M in round-two, announced September 11. The City of London had submitted seven (7) Council-approved proposals for the provincial deadline of July 31 and received approval for two of those submissions: 9 additional units for SDI Builders now located at 164 Albert Street and 52 units at 390 Princess Avenue.
The Province set aside the balance of Year One funding ($54.4 M) for round-three (with a Sept 30 deadline) and successful proposals are expected to be announced in late October. The Ministry of Municipal Affairs & Housing (MMAH) indicated they will probably not have a round-four funding allocation in Year One, because they have received an overwhelming response from across the province.

All Service Managers were encouraged to resubmit previous proposals already approved by Council; but to note that the MMAH focus will be on municipalities that have yet to receive an allocation in Year One.

Recommendation

Given the uncertainty created by the current provincial processes with respect to affordable housing funding allocations, it is recommended that Riverstone Developments Inc. receive an allocation of $1,440,000 from Delivering Opportunities for Ontario Renters (DOOR) funding in addition to the municipal funding approved by Council on July 27, 2009, for twelve (12) supportive housing units in order to ensure that this viable project is not lost to the community.

Allocation of DOOR Funding To-Date

<table>
<thead>
<tr>
<th>Allocation to Housing</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Adelaide Housing</td>
<td>(35,000)</td>
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<tr>
<td>Majano Corporation</td>
<td>(22,500)</td>
</tr>
<tr>
<td>Youth Opportunities</td>
<td>(249,194)</td>
</tr>
<tr>
<td>Huron Pines Co-op</td>
<td>(40,208)</td>
</tr>
<tr>
<td>King Street Holdings</td>
<td>(1,537,317)</td>
</tr>
<tr>
<td>Returned to DOOR fund</td>
<td></td>
</tr>
<tr>
<td>Riverstone Developments Inc.</td>
<td>(1,440,000)</td>
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</table>

Total DOOR funding remaining $197,880
Project Proposal

Proponent: Riverstone Developments Inc. (formerly Nelms Group Ltd. & Alice Saddy Association)

Project Name: Grosvenor Apartments
Project Location: 590 Grosvenor Street at Adelaide Street (Church of the Redeemer)
Proponent Sector: Partnership

Zoning: Zoned for apartment conversion
Building Permit: Within 90 days of signing Municipal Contribution Agreement
Completion: 10 months
Environmental: Phase 1 ESA completed
Building Type: Conversion
Non-Residential: N/A
Target Group: Individuals with developmental disabilities
Energy Efficiency: Features will include lighting with motion detectors, in-floor heating, low E glass, higher insulation and Energy save appliances
General Contractor: Proponent

Total Project Cost: $2,480,274

Equity & Funding
DOOR: $1,440,000
City: $314,500
Owner Equity: $460,000
Mortgage: $265,774

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Number</th>
<th>Unit Size</th>
<th>Rent</th>
<th>Utilities Included</th>
<th>Supportive Units</th>
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</thead>
<tbody>
<tr>
<td>Bachelor*</td>
<td>1</td>
<td>450 ft²</td>
<td>$400</td>
<td>plus utilities</td>
<td>YES</td>
</tr>
<tr>
<td>1 bedroom*</td>
<td>7</td>
<td>650 ft²</td>
<td>$400</td>
<td>plus utilities</td>
<td>YES</td>
</tr>
<tr>
<td>2 bedroom*</td>
<td>4</td>
<td>850 ft²</td>
<td>$716</td>
<td>plus utilities</td>
<td>YES</td>
</tr>
<tr>
<td>Total Units</td>
<td>12</td>
<td></td>
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*Accessible Units

The project involves the renovation of the former Church of the Redeemer building located in North London at Grosvenor and Adelaide Street. The site is already rezoned for apartment conversion. The location is on major bus routes, close to shopping and downtown services.

Those receiving assistance under this program will be adults with developmental disabilities who may also have a physical disability or a dual diagnosis. Affordable apartments for these adults would be beneficial to maintain independence and individuality. The two bedroom units will be occupied by two unrelated clients. All units will receive support provided by the Alice Saddy Association. Rents will be set at the ODSP maximum shelter allowance rate.

Nelms Group and Alice Saddy Association completed two 6-plexes under the Canada-Ontario Affordable Housing Program located at 1554-1555 Allen Avenue.
Chair and Members
Community & Protective Services Committee

November 20, 2009

RE: Recommendations for Proposals Under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:
Finance and Corporate Services confirms that the Municipal contribution can be accommodated from the Affordable Housing Reserve Fund, and that subject to the adoption of the recommendation of the General Manager of Planning and Development, the detailed source of financing for this request is:

**ESTIMATED EXPENDITURES**

<table>
<thead>
<tr>
<th>Project</th>
<th>Estimated Expenditure</th>
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</thead>
<tbody>
<tr>
<td>The Hampton Group - 162 Wortley Road</td>
<td>$780,000</td>
</tr>
<tr>
<td>London Property Corporation - 2635 Bateman Trail</td>
<td>1,560,000</td>
</tr>
<tr>
<td>Westany Holdings Inc. - 188-194 Dundas Street</td>
<td>710,000</td>
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**NET ESTIMATED EXPENDITURES**

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<th>This Submission</th>
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<td>$3,050,000</td>
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**SOURCE OF FINANCING**

| Drawdown from Affordable Housing Reserve Fund | $3,050,000 |

**NOTES:**

1) The uncommitted balance in the New Affordable Housing Reserve Fund will be approximately $246,000 with the approval of this project.

EH

Martin Hayward
Director of Financial Planning & Policy
TO: COUNCIL HOUSING LEADERSHIP COMMITTEE  
FROM: R.W. PANZER  
SUBJECT: RECOMMENDATIONS FOR PROPOSALS UNDER THE CANADA-ONTARIO AFFORDABLE HOUSING PROGRAM (AHP) 2009 EXTENSION

**RECOMMENDATION**

That, on the recommendation of the General Manager of Planning and Development, the following actions BE APPROVED with respect to the project proposals received under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension Request for Proposals RFP 09-27, Later Starts:

1. The Hampton Group receive a municipal allocation of $15,000 per unit for thirty nine (39) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $780,000 and a federal/provincial allocation of $100,000 per unit for a thirty nine (39) AHP unit seniors' project located at 162 Wortley Road;

2. The London Property Corporation receive a municipal allocation of $15,000 per unit for seventy eight (78) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $1,560,000 and a federal/provincial allocation of $120,000 per unit for a seventy eight (78) AHP unit seniors' project located at 2635 Bateman Trail;

3. Westany Holdings Inc. receive a municipal allocation of $15,000 per unit for forty six (46) AHP units plus $5,000 per unit for four (4) accessible units for a total municipal allocation of $710,000 and a federal/provincial allocation of $120,000 per unit for a forty six (46) AHP unit seniors' project located at 188-194 Dundas Street.

4. The City of London forward the above-noted project proposals to the Province for program funding approval under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, Year Two Funding;

5. That any project proposals previously approved by Council on July 27, 2009 under EOI 09-11 but not yet approved by the Province, be resubmitted to the Province for program funding approval under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, Year Two Funding; subject to the Proponents' continued interest in participating in the AHP program; and

6. That this recommendation be forwarded to the Community & Protective Services Committee on December 7, 2009 along with a Sources of Financing Report for the final municipal allocation of $3,050,000 recommended above.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

COMMUNITY AND PROTECTIVE SERVICES COMMITTEE

November 25, 2002 – Municipal Housing Facilities By-Law
COUNCIL HOUSING LEADERSHIP COMMITTEE

July 6, 2009 – Request for Proposals (RFP) under the New Affordable Housing Program
May 19, 2009 - Recommendations for Proposals to go forward under the Canada-Ontario Affordable Housing Program and the Federal/Provincial Economic Stimulus Package
June 6, 2008 – Housing Delivery Plan.
May 11, 2006 – Revised Criteria for Affordable Housing Capital Reserve Fund
March 7, 2006 – Affordable Housing Strategy Implementation Plan
December 1, 2005 – Affordable Housing Strategy Recommendations

BACKGROUND

The Province released the new Canada-Ontario Affordable Housing Program (2009) Extension guidelines on June 30. The specifics of the new program indicated that the funding for the program would be released with three deadlines:
- July 31 for construction-ready proposals,
- September 30 for early start proposals and
- November 2 for later start proposals.

An average of $120,000 federal/provincial funding per unit will be available under the program, to a maximum of $150,000 federal/provincial funding per unit. The Province was explicit with respect to energy efficiency requirements as well as the requirement to build to Ontario Building Code (OBC) 2012.

Although the federal/provincial requirement is that the ‘average’ rents in a proposed project not exceed 80% of the Canada Mortgage and Housing Corporation (CMHC) average market rent (AMR), it was the City of London position that the ‘individual’ rents cannot exceed 80% of CMHC AMR. Also, in working with the local agencies providing support for households requiring their services in order to live independently, it became very clear that these households, along with the 4,000+ households on the Centralized Waiting List for Social Housing, could not afford the rents at 80% of the CMHC AMR. Therefore, City of London Request For Proposals (RFP) included a requirement that the individual rents in 30% of the units in any proposed project must be at 70% of the CMHC AMR while the balance of the individual unit rents cannot exceed 80% CMHC AMR.

Additional federal/provincial funding is required to reduce the up-front capital costs which in turn will reduce the rents for those units to 70% CMHC AMR and the rents for the supportive units to the Ontario Disability Support Program (ODSP) maximum shelter allowance, as well as allowing the proponents to meet the energy efficiency and OBC 2012 requirements.

The Canada-Ontario Affordable Housing Program is an economic stimulus program intended to get Ontarians back to work through the development of needed affordable housing.

THE REQUEST FOR PROPOSALS

In order to expedite the process and to ensure that suitable affordable housing proposals were received, reviewed and forwarded in a timely manner for Council and provincial approval, the City of London released a two-phase Request for Proposals. Because the stimulus program is based on a “the sooner the better” approach, there was a provision in the RFP to advance those submissions that met early start criteria.

All proposals were required to meet the criteria described within the RFP; however, if a proponent had a project that met certain early start requirements, they were able to submit it by an established early start deadline. All other proposals, with a later construction date but which could still meet a completion date of March 31, 2011, were given a longer timeframe for submission, evaluation and review.
The RFP was released on July 17 to the proponents who responded to an Expression of Interest (EOI 09-11) released earlier this past spring, as well as being open to any further new proposals. The City of London submitted seven (7) Council-approved proposals by the provincial deadline of July 31 and received approval for two (2) of those submissions in September.

The "Later Start" closing date was September 21 and on October 22 the Evaluation Committee reviewed twenty (20) proposals based on pre-established criteria.

UPDATE FROM THE PROVINCE

Year-One

The Province had approximately $226M for Year-One of the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension. There were no notional allocations by Service Manager as in previous AHP programs.

In the spring of 2009, the Ministry of Municipal Affairs & Housing (MMAH) indicated that they wanted proposals that would create employment and that should be "shovel ready", properly zoned and able to start construction within 30 days of approval. The message was "use it or lose it" or Ontario would lose the funding to another province. MMAH indicated there were 3 deadlines for submission: July 31, September 30 and November 2.

$87.5 M was allocated provincially in 'round-one' also known as MMAH "Quick Starts", with approvals announced in June. We received approval for 6 units in Glencoe and 39 units at 333-337 Southdale Road. These approvals were for proposals that we originally submitted to MMAH in the fall of 2008.

For the MMAH July 31 deadline, we submitted 7 excellent proposals that met all the criteria. $84.8 M was allocated provincially in 'round-two', with approvals announced September 11. We received approval for two more projects: 9 additional units for SDI Builders at 164 Albert Street and 52 units at 390 Princess Ave.

$54.4 M is set aside for 'round-three' (the MMAH Sept 30 deadline) and successful proposals should be announced in October/November. We were encouraged to resubmit our previous proposals already approved by Council; but cautioned that the MMAH focus will be on municipalities that have yet to receive an allocation in Year-One. We did re-submit 4 of the 5 proposals by September 30 (the fifth one we are proposing to utilize DOOR funds).

Year-Two

Year-Two funding for Ontario will be approximately $290.4 M: $148.3M for seniors rental; $32.9M for rental for persons with disabilities and $109.2M for northern Ontario, homeownership and rental proposals for other client groups.

We will submit any Council approved projects from the Later Start RFP to MMAH for Year-Two (2010) funds, along with any project proposals previously approved by Council on July 27, 2009 under EOI 09-11 but not yet approved by the Province, subject to the Proponents’ continued interest in participating in the AHP program. Again MMAH indicated that there will be no notional allocations in 2010.

The following Council-approved proposals submitted to the Province for Year-One funding are still outstanding as of the preparation date of this report:
1. Westany Holdings Inc. for a federal/provincial allocation of $105,000 per unit for seventy-two (72) AHP housing units for a proposed project located at 637 Dundas Street (Centretown Mall);

2. Yossif Lavie for a federal/provincial allocation of $100,000 per unit for twenty eight (28) AHP housing units, for a proposed project located at 166-170 Dundas Street;

3. Interra Management Group Limited for a federal/provincial allocation of $95,000 per unit for twelve (12) AHP housing units for a proposed project located at 181 King Street.

RECOMMENDATION re. AFFORDABLE HOUSING PROPOSALS

The City of London closed the Later Start RFP for affordable housing on September 21, in anticipation of the November 2 MMAH deadline. The Province has now indicated that there will be no November 2 intake for the AHP Rental Extension program due to the overwhelming response to the September 30th intake.

Of the twenty proposals we received, seventeen were from the private sector and three were from non-profits. A total of 1,281 units were proposed requesting $131,449,000 in federal/provincial funding and $19,840,844 in municipal funding. Currently there is approximately $3.3M in uncommitted funds available in our municipal Affordable Housing Capital Reserve Fund.

The following affordable housing proposals were reviewed by the evaluation committee then ranked in order of priority taking into consideration site characteristics, project scale and community fit as well as:

a) The federal/provincial priorities: construction-ready housing for seniors and persons with disabilities; energy efficiencies; OBC 2012; proof of land ownership; and zoning in place.

b) City of London priorities: one bedroom units; utilities included in rent; 30% of the unit rents at 70% CMHC AMR; 70% of the unit rents at 80% CMHC AMR; supportive unit rents at the ODSP maximum shelter allowance; and infill proposals.

c) The balance remaining in the Affordable Housing Capital Reserve Fund of $3.3M.

It is recommended that:

Priority 1
The Hampton Group receive a municipal allocation of $15,000 per unit for thirty nine (39) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $780,000 and a federal/provincial allocation of $100,000 per unit for a thirty nine (39) AHP unit seniors' project located at 162 Wortley Road;

Priority 2
The London Property Corporation receive a municipal allocation of $15,000 per unit for seventy eight (78) AHP units plus $5,000 per unit for accessibility for a total municipal allocation of $1,560,000 and a federal/provincial allocation of $120,000 per unit for a seventy eight (78) AHP unit seniors’ project located at 2635 Bateman Trail; and

Priority 3
Westany Holdings Inc. receive a municipal allocation of $15,000 per unit for forty six (46) AHP units plus $5,000 per unit for four (4) accessible units for a total municipal allocation of $710,000 and a federal/provincial allocation of $120,000 per unit for a forty six (46) AHP unit seniors’ project located at 188-194 Dundas Street.
The above-noted proposals will require a total of $3,050,000 in municipal funding from the Affordable Housing Capital Reserve Fund. Once approved by Municipal Council, the proposals will be forwarded to the Province for consideration of program funding.

The Evaluation Committee recommends that the City of London Housing Division work with the remaining proponents who responded to RFP 09-27 in anticipation of future funding or unit re-allocations from the Province.

NEW AFFORDABLE HOUSING UNITS TO-DATE

The AHP Pilot Program 255 new affordable housing units were created (120 transitional and 135 rental). RFP 06-09 resulted in 135 new rental units under Wave 1 of the New Canada-Ontario Affordable Housing Program (AHP). RFP 07-10 resulted in 118 new affordable housing units in London and Middlesex. RFP 08-10 resulted in 42 new affordable housing units and a further 52 units submitted for provincial approval. EOI 09-11 resulted in 41 units approved under the Aboriginal Housing Trust, 84 new affordable housing units and a further 114 units submitted to the province for approval. The City of London Convert-to-Rent Rehabilitation Program has created 23 new affordable housing units. The AHP Homeownership Program created 124 new affordable units.

Should all the proposals submitted to the Province by the City of London under the Canada-Ontario Affordable Housing Program be approved (including those under RFP 09-27), we will have created 1,131 new affordable housing units towards the goal set in our Affordable Housing Strategy of 1,200 units by the year 2010.

ACKNOWLEDGEMENTS

The current Affordable Housing Program RFP process was undertaken with the assistance of Neil Watson, Housing Development Consultant and his Associate, Isabel DaRocha; Greg Barrett, Planning; Barb Debbert, Planning; Rebecca Clothier, Finance; and Michael Davis, Purchasing.

<table>
<thead>
<tr>
<th>PREPARED BY:</th>
<th>RECOMMENDED BY:</th>
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</thead>
<tbody>
<tr>
<td>LOUISE STEVENS</td>
<td>R.W. PANZER</td>
</tr>
<tr>
<td>DIRECTOR OF MUNICIPAL HOUSING</td>
<td>GENERAL MANAGER OF PLANNING AND DEVELOPMENT</td>
</tr>
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October 2009

cc. N. Watson, Housing Development Consultant
    D. Mounteer, City Solicitor’s Office
    M. Hayward, Director, FP & P and Acting Deputy City Treasurer
Proponent: Hampton Group

Project Name: 162 Wortley
Project Location: 162 Wortley Road
Proponent Sector: Private

Zoning: Zoning in place, Site Plan Approval required
Building Permit: Within 90 days of Provincial approval
Completion: 10 months construction
Environmental: Phase 1 ESA completed and there are no issues of concern
Building Type: Four storey, new construction building
Non-Residential: 3500 ft² of commercial space on main floor
Target Group: Seniors
Energy Efficiency: Exploring possible use of solar panels on southern side of building, low E glass, higher insulation, low flow toilets and showers, efficient lighting, programmable thermostats and ENERGYSTAR appliances

Total Project Cost: $7,897,688 ($202,505/unit)
F/P Total: $3,900,000 ($100,000/unit)
City: $585,000 ($15,000/unit)
City Accessible: $195,000 (39 units*)
Owner Equity: $800,000
Mortgage: $2,417,688

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<tr>
<th>Unit Type</th>
<th>Number</th>
<th>Unit Size</th>
<th>Rent</th>
<th>Utilities Included</th>
<th>Supportive Units</th>
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<td>575 ft²</td>
<td>$540</td>
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Total Units 39

Formed in 1983, the Hampton Group started as a commercial builder and then expanded to building new homes in the London area. For the past 12 months, the Hampton Group has shifted their emphasis from Greenfield development to infill development.

This site is located in the heart of Wortley Village in Old South London and is located close to amenities, services and hospitals. The proposed location was originally a church which has since been demolished.

Currently, the site is an unpaved parking lot that serves as additional parking.

The proposed project will include underground parking that will be available to tenants at an additional monthly cost.
Proponent: London Property Corporation

Project Name: 2635 Bateman Trail
Project Location: 2635 Bateman Trail
Proponent Sector: Private

Zoning: Zoning R 6-5, Site Plan Approval required
Building Permit: Within 90 days of Provincial approval
Completion: 9 months construction
Environmental: Phase 1 ESA required
Building Type: Bungalow townhouse, new construction building
Non-Residential: n/a
Target Group: Seniors
Energy Efficiency: Proposing larger roof overhangs to reduce the heat gain in the summer, at source water heaters, high efficiency gas furnaces with programmable thermostats, gray water recycling, low E glass, participate in the High Performance New Construction Program, efficient lighting, programmable thermostats and ENERGYSTAR appliances.

Total Project Cost: $14,216,044 ($182,257/unit)
F/P Total: $ 9,360,000 ($120,000/unit)
City: $ 1,170,000 ($15,000/unit)
City Accessible: $ 390,000 (78 units*)
Owner Equity: $ 1,424,304
Mortgage: $ 2,495,740

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Founded 20 years ago, London Property Corp. provided student housing and since diversified to serve private and commercial accommodations; owns buildings that house over 3,500 students and has an interest in a property management company that manages housing for over 7,500 students; leases a building to the Toronto Community Housing Corporation for a social housing project for 90 individuals; has built a 139 unit retirement complex for seniors in London.

The site has many amenities and support services in close proximity. The completed structure will be an appointed group of bungalow town houses designed specifically to be barrier free to allow easy use for seniors.
Westany Holdings Inc.

**Project Name:** The Century Mews
**Project Location:** 188-194 Dundas Street
**Proponent Sector:** Private

**Zoning:** Zoning in place, Site Plan Approval required
**Building Permit:** March 2010
**Completion:** December 2011
**Environmental:** Lead, PCB's, asbestos and mercury are potentially present
**Building Type:** Rehab of existing buildings with an additional 5 floors
**Non-Residential:** 8 commercial spaces on main floor
**Target Group:** seniors, persons with disabilities and working poor
**Energy Efficiency:** ENERGystar appliances, high rated insulation, high-efficiency gas-fired plant for heat and hot water, green roof assemblies, solar photovoltaic system, motion sensor lighting, solar water heating and glazing windows and lights

**Total Project Cost:** $9,762,953 ($212,238/unit)
**F/P Total:** $5,520,000 ($120,000/unit)
**City:** $690,000 ($15,000/unit)
**City Accessible:** $20,000 (4 units*)
**Owner Equity:** $976,295
**Mortgage:** $2,556,658

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<th>Utilities Included</th>
<th>Supportive Units</th>
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Westany Holdings has proposed Centretown Mall as a 73 unit project in East London that has been recommended to the Province for funding under Round 3 of the Canada Ontario Affordable Housing Program (AHP) 2009 EXT - New Rental Housing Comp.

This project will need to satisfy the Urban Design Review requirements and the expectations of the BIA and Community Association. Heritage alteration permit for the additional five floors may be required.

The Mews style design will connect the Queen Street parking lot with the Dundas Street block and open a corridor between Queen and Dundas on a block that currently has no connection.

Bicycle storage area, a coin operated laundry, tenant common room and partial parking allowance will be provided.
TO: CHAIR AND MEMBERS
COUNCIL HOUSING LEADERSHIP COMMITTEE
MEETING ON
November 11, 2009

FROM: R.W. PANZER
GENERAL MANAGER OF PLANNING AND DEVELOPMENT
and
ROSS L. FAIR
GENERAL MANAGER OF COMMUNITY SERVICES

SUBJECT: CITY OF LONDON RESPONSE TO ONTARIO’S LONG-TERM AFFORDABLE HOUSING STRATEGY CONSULTATION

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That, on the recommendation of the General Manager of Planning and Development and the General Manager of Community Services, the following actions BE TAKEN with respect to the City of London response to the Ontario Long-Term Affordable Housing Strategy (LTHS) Consultation:

a) the Mayor BE REQUESTED to write a letter to the Premier of Ontario and the Minister of Municipal Affairs and Housing, copying The Association of Municipalities of Ontario, and The Ontario Municipal Social Services Association providing this report as a City of London response to the provincial long-term affordable housing strategy and noting the following key recommended actions:
   i) the Federal Government be encouraged to develop a national housing and homelessness strategy;
   ii) the Federal and Provincial governments must provide ongoing and sustainable funding under the Canada-Ontario Affordable Housing Program as well as support services that help ensure housing stability and retention;
   iii) the Federal and Provincial governments must work more closely to align and harmonize programs and services in order to make affordable housing options more responsive, accessible, and manageable for service users and managers; and
   iv) the Federal and Provincial governments must recognize and respect local authority for local decisions for local service delivery and move to a Service Manager plan-based funding model.

b) Mayor and the Chair of the CHLC BE REQUESTED to meet with the Minister of Municipal Affairs and Housing to discuss London’s existing and planned affordable housing and homelessness intervention and prevention strategies and encourage the Minister to engage municipalities as key partners in the ongoing development of related strategies;

It being noted that:
   a) the need for affordable and sustainable housing impacts one in every six Canadian households, and
   b) the content of this report was assembled through public consultation and through other relevant local affordable housing discussions and Municipal Council directions.
Previous reports related to the Community Plan on Homelessness, Emergency Shelters, Affordable Housing, London CAReS, Hostels to Homes and Social Policy Framework.

Council Housing Leadership Committee at its meeting of August 29, 2009 directed administration to consult with stakeholders in response to the Ontario Long-Term Affordable Housing Strategy (LTAHS) Consultation, including the Social Housing Operational Advisory Committee, the London Homeless Coalition, the London Housing Advisory Committee as well as other interested parties, and invite these groups to comment to the Council Housing Leadership Committee (CHLC).

Overview of Ontario’s Long-Term Affordable Housing Strategy (LTAHS)

The Province’s Long-Term Affordable Housing Strategy (LTAHS) is intended to provide a framework vision, principles and goals to support the continued development of affordable housing in Ontario over the next 10 years.

The Province is calling on all Ontarians to take action and help give every Ontario household the opportunity to have a safe, healthy, affordable place to call home. Stable and secure housing provides a foundation for people to escape from poverty and homelessness; reduces the need for more costly government services; and attracts and keeps the skilled workers needed to improve our economic competitiveness. Housing is important in building strong, sustainable communities. Adequate, affordable and suitable housing improves the social, environmental and economic well-being of Ontario families. Investments in affordable housing and social housing renewal encourage neighbourhood revitalization through public, private and community partnerships that lead to stronger communities across Ontario.

LTAHS Consultations

These consultations will provide an opportunity for Ontario to build on recent initiatives and investments, including the Poverty Reduction Strategy, the Provincial-Municipal Fiscal and Service Delivery Review, and the Review of the Roots of Youth Violence.

The consultations are in two phases:

1. June to September – Consultations sessions open to the public (now complete); and
2. October to December – Invitation only specialized consultations with key stakeholders and industry experts.

LTAHS Consultations were formally launched June 3, 2009 and took place in twelve communities across the province. The consultation session in London was held September 8.

There are several avenues to participate in the consultations in addition to attending a consultation session: reply to on-line questionnaire; mail, email or fax submissions to the Ministry. The Ministry of Municipal Affairs & Housing will be accepting written submissions until December 31, 2009. This timeline allows the City of London to prepare a written response in consultation with local stakeholders.
5 Questions for Discussion

The consultations are a question-driven process. The Province is seeking answers to the following 5 questions which will help them develop a long-term affordable housing strategy for Ontario:

1. What specific roles should each of the housing partners play in the delivery of affordable housing?

2. What changes are needed to our housing programs to better use resources and improve access to affordable housing? Changes could include modifications to the Affordable Housing Program or the simplification of housing and homelessness programs.

3. What changes are required to the Social Housing Reform Act, 2000 to reduce the regulatory burden and improve the management of social housing?

4. What creative new ideas could improve the current housing system? This could include new planning tools, innovative financial options and new green technologies.

5. What should be used as the housing indicator for Ontario’s Poverty Reduction Strategy? In this context, what do terms like affordable, adequate and suitable housing mean to you?

Local Consultations

Housing Division, Planning Division, Community Services-Social and Community Support Services, Children & Neighbourhood Services, and Long-Term Care staff worked together to formulate a written response to the Province’s Long Term Affordable Housing Strategy for approval by Council.

Local stakeholders including the Social Housing Operational Advisory Committee; the London Homeless Coalition, the Non-Profit Housing Providers Network, Habitat for Humanity, the London Development Institute and private citizens met with the Council Housing Leadership Committee at its October 6, 2009 meeting and submitted their position with respect to the provincial Long-Term Affordable Housing Strategy.

The Mayor wrote a letter to the Minister of Municipal Affairs and Housing, expressing support for a provincial long-term affordable housing strategy and requested a meeting with the Minister to discuss London’s existing and planned strategies addressing affordable housing, service integration and innovation opportunities as part of the Province’s specialized consultations.

Civic Administration is in the process of initiating an RFP for a consultant to assist in the creation of an updated local Affordable Housing Strategy to be consolidated with an updated Community Plan on Homelessness.

City of London Response

First and foremost, the Province must recognize that Municipalities or Service Managers are not just another “stakeholder”. Municipalities that are service managers across Ontario fund and oversee social housing and homelessness programs, fund affordable housing programs and set housing policies. Service Manager Municipalities are partners in both housing and homelessness services must be engaged as partners in Provincial strategic policy development.
The City of London is committed to assisting in a long term affordable housing strategy and work with the Province to establish the broad legislative and policy framework for housing, including an outcome based accountability framework which clearly identifies our respective roles in housing.

The following are proposed answers to the 5 provincial consultation questions:

1. What specific roles should each of the housing partners play in the delivery of affordable housing?

   The reducing the housing need problem that confronts one in every six Canadian households; make funding to address homelessness permanent; increase funding and revise criteria for programs that assist landlords repair and adapt rental housing for seniors and other vulnerable people; continue to fund housing allowance and rent supplement programs, in particular those which are set to expire; re-invest the savings arising from the expiration of current social housing agreements back into social housing.

   The Federal and Provincial governments should:

   - provide ongoing and sustainable funding under the Canada-Ontario Affordable Housing Program; provide municipalities with greater authority under a more flexible legislative framework to make local decisions about social and affordable housing; provide ongoing and sustainable funding to ensure the social housing stock achieves and maintains a state of good repair.

   The Province should:

   - respect local authority for local decisions for local service delivery and move to a Service Manager plan-based funding model that allows investments in housing and community supports to be targeted to local needs and opportunities; include affordable housing needs in all of the provincial infrastructure investment programs and policies; adopt an integrated cross-sector approach to investments in housing and supports with program funding structures so that the right agencies deliver programs regardless of which provincial ministry is providing the funding. This is the same integrated approach required in local discussions of mental health, youth, special needs, poverty, etc. There are individual provincial ministries, MOHLTC (LHINs), MCSS, MMAH, with each one exploring service integration, but still operating in silos; support a full financial upload of all social housing operating and capital costs with local program delivery.

   Municipalities should:

   - take a leadership role in identifying affordable housing issues in their communities and identifying effective practices and gaps in existing housing; develop strategies to help seniors to live independently in their own homes be it ownership, existing social or rental housing; redevelop long-term care facilities into "Campuses of Care" that promote healthy aging in place with a range of housing, health and social service options in a single location; establish an abandoned building protocol designed to identify and provide affordable housing solutions where rental buildings are deliberately left vacant.
The private sector and the non-profit and co-operative sectors should:

- be active parties in the development of local community plans and strategies.

2. What changes are needed to our housing programs to better use resources and improve access to affordable housing?

Housing stock needs to be reflective of the broader support needs of the individual and of the community with a focus on appropriate/sustainable housing and the ties between investments in housing and the associated returns through the social determinants of health and community engagement.

A key initiative identified within the Social Policy Framework was the need for the City to take a leadership role in activities related to capacity building, partnering, and developing innovative solutions that support individuals living homeless or in housing crisis. Specifically, the framework recognized London's role in the management, delivery, or funding of a number of housing related service components including the Provincial the Consolidated Homelessness Prevention Program, and other initiatives that provide homelessness intervention and prevention services (eg. THAW, Rent Bank, etc).

The Social Policy Framework also recognized a need to better integrate and deliver these services, recognizing that each plays an important role along a continuum of housing in London. It also recognized that there were issues and policy implications related to each stage within this broader continuum. The continuum reflects services from outreach and emergency services for those living on the streets to social housing; and private market based home rental and ownership.

The LTAHS should move away from emergency shelters as a gathering point with large and high cost front doors, no back doors, and inappropriate funding. The role of emergency shelters has changed from supporting short term emergency situations to being more long term. Emergency shelters are filling a large gap around mental health, addiction(s) and poverty; for which they are not being funded. A better financial model is required to provide the necessary services to avoid first use of shelters and to assist residents in rapidly reconnecting to community based housing.

Transitional and supportive housing should be created that is more evenly distributed within communities and attached to individuals so that their successful journey to stability is not rewarded with a need to move.

The Province needs to restore funding to health services including mental health and addictions, with a focus on youth and children.

The LTAHS should address urgent current needs and focus on community based supports as well as the future based strategies that consider:

- the emergence of a growing population in crisis whose needs will be compounded as they become our seniors and elderly population;

- the local demographic and economic trends of the local community; a concerted focus on youth and children (poverty agenda)
c) affordable housing with supports for aging citizens – singles and couples – no longer able to afford or manage homes

Safe and affordable housing is key to reducing homelessness but it requires supports for the individuals and families. Hostels to Homes is a successful program which shows how changes can be made. In London our success is due to the wrap around services and supports.

The Province should provide new rent supplement funding to create truly affordable rents for people who earn low wages or receive social assistance and are residing in existing private sector and in new affordable housing developments.

The Province should continue to protect low and moderate income purchasers from ownership housing cost increases through measures like a harmonized sales tax rebate on new homes.

The Province should continue to provide funding for homeownership re-sale homes, not just new-build, as part of the Affordable Housing Program.

A goal of the Province’s housing strategy and any future programs, should be to produce a mix of affordable housing to meet a range of needs – supportive, transitional, alternative, aboriginal, non-profit, co-operative, low-end market and homeownership.

3. What changes are required to the Social Housing Reform Act, 2000 (SHRA) to reduce the regulatory burden and improve the management of social housing?

Shelter Allowance & Rent/Utility Scales

Social Housing tenants on Ontario Works (OW) and Ontario Disability Support Program (ODSP) have their rent-gearied-to-income (RGI) determined by using a rent scale (by household size) established by the Province, which cannot be adjusted locally. These rent scales have not changed since 1993. Approximately 58% of tenants in Social Housing are on OW and ODSP.

OW / ODSP tenant households in the private sector receive a maximum shelter allowance which is considerably higher than the Social Housing rent scales and is 80% provincially and 20% municipally funded. This discrepancy has resulted in a negative revenue growth for Social Housing Providers and in particular those Housing Providers who are at 100% RGI units.

Social Housing rents should be changed to the maximum shelter allowance used in the private sector rather than the legislated rent scales. This will reduce the subsidy required from the local property tax base and move the funding from 100% municipal to an 80/20 cost share which is more reasonable for an income redistribution program.

Special Priority Policy

The Province mandates Special Priority (SPP) for victims of domestic violence in social housing through the SHRA. We are supportive of this mandate, however, there is widespread concern that the lack of growth in the availability of social housing and affordable housing, the concentration of SPP households in existing social housing neighbourhoods combined with minimal supports to ensure the successful tenancy of SPP households has made a negative impact on housing providers, SPP households and other categories of applicant households on social housing waiting lists.
In order to collect the data to assess the validity of such concerns and the true impact of the SPP policy, housing providers and municipal Service Managers have initiated and funded a research study. The Province has been approached with requests to assist in funding this study but so far has refused. Given that it is the responsibility of the Province to formally assess the impact of such a long standing policy, they should participate in the research.

**Borrow against Equity in Social Housing Projects**

Regulatory changes should be made to allow social housing providers to borrow funds against their equity for capital repairs. Mortgages should be extended so that social housing providers can afford to pay back the additional debt.

The Province should facilitate the redevelopment and refinancing of social housing by amending legislation/regulations which limit innovation in leveraging the use of social housing assets for investments in building repairs, expansions and energy retrofits.

However, the Province should also be prepared to provide grant funding in the future when legislation changes or government-mandated capital upgrades are required.

**Expiry of Operating Agreements**

The Province and Federal Government should continue to support social housing providers funded under pre-1995 operating agreements to the level needed to promote ongoing affordability and liveability of this housing stock, even after the expiry of such agreements, and further that these governments should agree to re-deploy existing funds no longer needed for the pre-1995 stock into the development of new affordable housing.

4. What creative new ideas could improve the current housing system?

**Continuous Affordable Housing Program**

The Province should replace a patchwork of on-again-off-again housing programs with a vision for affordable housing and a blueprint for achieving it.

**Reduce Red Tape in Approving New Affordable Housing Proposals**

The Province should limit its role to setting general policy goals for the use of the federal and provincial housing funds, and give responsibility for the successful delivery of the New Affordable Housing Program to municipal governments. The Province should move forward quickly in its approval process in order to allow local proposal calls to move forward.

The Province should provide its capital funding in the form of a one-time payment.

**Inclusionary Zoning**

Inclusionary zoning is the most prevalent of the regulatory initiatives used by U.S. municipalities to stimulate the creation of affordable housing. Inclusionary zoning typically requires or encourages private developers to construct some proportion of new residential development for affordable housing. Fees-in-lieu, land and other contributions of an equivalent value are also sometimes accepted by local municipalities.
The initial price or rent of the affordable units is set by terms of the program and first occupancy is limited to income-eligible households. Restrictions are also placed on subsequent occupants, and on rent increases and resale prices, but these vary widely by municipality. In the late 1980s, many municipalities across Ontario required that 25% of all housing in a new subdivision be affordable to households in the 60th income percentile. These inclusionary zoning requirements were removed when the Provincial Land Use Policy Statement was repealed in the mid-1990s.

Currently, municipalities in Ontario, with the exception of the City of Toronto, do not have the authority to implement inclusionary zoning policies. Since municipal powers must derive from provincial legislation and this legislation must be precise and clear as to these powers, otherwise municipal by-laws can be challenged and possibly invalidated.

The Province should revise and clarify legislation to ensure municipalities have the full authority to implement inclusionary policies of their choice. The City of London supports Bill 198, An Act to amend the Planning Act with respect to inclusionary housing in principle and has directed civic administration to report on implementation tools available at such time as this legislation has been enacted.

**Housing First Policy**

"Housing first" policies call for surplus government lands to be used for housing purposes first. In some cases, municipalities have made such surplus sites available in return for the provision of various forms of affordable housing.

The federal, provincial and municipal governments should declare a "Housing First" policy for surplus federal, provincial and municipal lands.

**Preserving Existing Market Housing Stock**

Funding for new development is important but allowing acquisition of existing housing, as long as it is converted to long term affordable housing should be facilitated by reviewing provincial tax regulations which could assist by reducing capital gains or providing other tax-based incentives to encourage long term preservation of existing affordable housing stock. By the Province providing funding to meet local needs and opportunities rather than program specific criteria would enable municipalities to maximize the outcomes of these investments.

**Protect and Invest in Existing Public Assets**

The Province should provide ongoing and sustainable funding to ensure existing social housing achieves and maintains a state of good repair.

**Strengthening the Capacity of Housing Providers and Property Managers**

The Province should establish accreditation and/or licensed standards for persons and companies working in the management of rental properties.

The Province and municipalities should work with social housing sector organizations to develop training to strengthen the capacity of social housing boards.

The Residential Tenancies Act should be revised to include mandatory minimum standard for tenant/member property/content insurance.
Authority for Local Decision Making

Although the question of “Income redistribution programs being funded by property taxes” remains, the Association of Municipalities of Ontario (AMO) has adopted a principle that local administration of housing services is best. In the Provincial-Municipal Fiscal and Service Delivery Review, released on October 31, 2008, the Province announced its direction related to existing housing and homelessness programs. The plan is to merge these into an outcomes-based housing service strategy that is managed at the municipal level.

However, even though responsibility for social housing was downloaded to municipalities, much of the authority for how social housing is managed remains with the Province. Social housing legislation is more concerned with the administration of operating agreements than ensuring that people get the housing services they need.

Provincial legislation should define expected outcomes and service levels rather than how to manage programs. Provincial policy and program rules must respect and support local service delivery by allowing flexibility and responsiveness to local needs and opportunities.

Housing Support Services

The Province should establish a permanent program using flexible shelter per diem funding to provide shelter clients with housing supports in the community, similar to the Hostel to Homes pilot and coordinate and provide supports and housing to ensure homeless and vulnerable people are able to keep their homes by:

- Allocating funding to community programs and services which help people find and keep homes; and providing increased funding to enhance housing supports available to vulnerable tenants in private market and social housing communities.

The Province should support the acquisition and renovation of residential apartment and similar buildings such as single room occupancy (SRO) hotels to provide sustainable and affordable rental housing by:

- Providing funding for the redevelopment of SRO hotels as interim and supportive housing for people leaving shelters and for Hostel to Homes program clients; and including the acquisition/renovation of privately-owned apartment buildings, legal rooming houses and SRO hotels as an eligible option under future programs for affordable housing development.

The Province should use a Housing First approach to deliver funding and services to vulnerable and homeless people, including reinvesting savings achieved by this approach from other areas, such as health, immigration, corrections and emergency services.

The Province should implement a new funding model for shelters which supports a Housing First approach and should provide flexibility in the use of shelter funding to establish a permanent program to provide shelter clients with housing supports in the community similar to the Hostel to Homes pilot.
The Province should increase funding for mental health supportive housing and housing with support options and integrate these into the existing housing and homelessness service system.

The Province should increase funding for supportive housing options for vulnerable seniors.

**Human Services Integration**

Human Services Integration is a concept of aligning the complex web of human services in a community. Fragmented policies and programs often competing with each other with different rules for how the same household income is treated, e.g. rent-gared-to-income claw backs, re-entry rules and uncoordinated policies with OW/ODSP benefits which create very little incentive to becoming employed. Multiple points of access to the services – ODSP offices separate from OW offices separate from social housing waiting lists means that households do not get access to all of the services they need and are eligible for.

The Province should adopt an integrated human services approach to policies and programs in all service areas in order to reduce administrative complexity between and with programs and ensure that Service Managers are empowered to be responsive to local situations with the aim of improving the outcomes for the people who need the services.

**Promoting Greener Housing**

Investments in energy saving retrofits through Infrastructure Ontario would improve affordability to tenants and support both private and public sector property owners and could be funded from energy savings, particularly for electric heat.

There should be increased provincial funding for social and new affordable housing and for private-sector rental repair and energy retrofit programs while ensuring rents remain affordable.

5. What should be used as the housing indicator for Ontario’s Poverty Reduction Strategy? In this context, what do terms like affordable, adequate and suitable housing mean to you?

As seen in the Poverty Reduction Strategy, housing stock is only a small part of the answer. The perspective of many, including Health Canada, is that homelessness is actually a health issue.

Homelessness is a function of complex and changing issues that requires our understanding of its roots and context in Canada and in each community and with each individual. At a macro level, being homeless is a relatively new word that entered our language in the 60’s defined as a person (almost always single male) living in rooming and boarding houses without the support of family and community. Most often employed. The term changed use in the 70’s (especially in post war US) but not until the 80’s did large Canadian cities (mainly Toronto) actually start calling it Homelessness. This was the beginning of the recognition of homelessness as a result not only of being marginally connected to the community in shared accommodations, but actually a more complex issue that was rapidly being defined by living on the streets or in growing shelters, having mental health issues, addictions, and poverty. We are now seeing the generational affects of this.
Over the past 20 years, as homelessness has grown, so has our understanding of homelessness which was first focused on late interventions (emergency shelter growth), then early interventions (street outreach and improved programming, etc) and most recently focused on the pre-determining factors like the social determinants of health. Research has expanded our understanding of how homelessness is borne of a chain reaction of historical issues resulting in a first event, and then following a changing trajectory often related to education, early childhood experiences (e.g. abuse), health, etc. With this is the most prevalent knowledge that there is a clear tie between homelessness growth and deinstitutionalization, removal of halfway beds, etc.

The issues we see in London, generally follow this pattern but there are also unique local aspects, e.g. in London we are a regional centre for mental health, addiction treatment, large urban centre (especially for youth), criminal justice, emergency shelters, etc.

Given the current state of homelessness, our goal should be to reverse the clock. Success on a 10, 15, 25 year strategy should map alongside the poverty discussion. In 15 years, our goal should be to return homelessness to the definition it had in 1965.

The Province should increase and adjust social assistance rates annually to reflect current living standards and to include a shelter component maximum equal to 100% of the median market rent based on annual statistics collected by the Canada Mortgage and Housing Corporation.

The Province should facilitate increased access to Employment Insurance, child benefit programs and other benefits for the working poor.

Definitions

The City of London agrees with the following definitions as per the Canada Mortgage and Housing Corporation 2006 Census Housing Series, Issue 3:

Housing standards indicate whether households live in accommodation that meets or falls short of the adequacy, affordability and suitability housing standards. "Acceptable" housing is housing that is adequate in condition, suitable in size, and affordable. Housing "below standards" is housing that falls short of at least one of the adequacy, affordability and suitability housing standards.

Adequate housing does not require any major repairs, according to residents.

Affordable housing costs less than 30% of before-tax household income. Shelter costs include the following:

- for renters, rent and any payments for electricity, fuel, water and other municipal services; and
- for owners, mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

Suitable housing has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for:

- each cohabiting adult couple;
- unattached household member 18 years of age and over;
same-sex pair of children under age 18;
and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom.

A household of one individual can occupy a bachelor unit (i.e. a unit with no bedroom).

Conclusion:

In recognition of the complexity of affordable housing and homelessness strategies, their funding, and their impact on community, our Administration is currently engaged in the preparing a consolidated homelessness to housing strategy.

The responses from these community consultations and existing Municipal Council strategies reflect the important role that the City of London must take in responding to the needs of those living in homelessness or in unaffordable, unsustainable, and inappropriate housing in London.

cc. Social Housing Advisory Committee
London Housing Advisory Committee
London Homeless Coalition
S. Giustizia, Manager, Social & Community Support Services
D. Bedard, Director, Dearness Home
Statistics for the City of London

1. Household Income Distribution

Household incomes of renters are much lower than owners in all income brackets:
- Household incomes of renters in the lowest three income brackets (tenth to thirtieth income percentiles) are about one third that of owners in these same income brackets.
- Household incomes of renters in the top two income brackets (80th and 90th income percentiles) are about one half that of owners in these same income brackets.

Household Income Distribution, by Percentile, London City

- 10th percentile
- 20th
- 30th
- 40th
- 50th
- 60th
- 70th
- 80th
- 90th

2. Average Annual Income and Shelter Cost, 2001 and 2006

The Average Income by Household Tenure chart shows two things:
- Owner average income is about two and a half times more than renter average income.
- Owner average income increased more than renter average income from 2001 to 2006:
  - Owner average income increased by 18%.
  - Renter average incomes increased by 12%.

Average Income by Household Tenure, 2001 and 2006

Households paying a higher proportion of their income on shelter have higher average shelter costs and have lower incomes.

Average Shelter Costs and Income by Household Type, London, 2006

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3. Housing Affordability

More lone parents pay a higher proportion of their income on shelter compared to couple families:
- One out of four lone parent owners pay 30% or more on shelter and one half pay 30% or more on rent
- One out of ten couple family owners pay 30% or more on shelter and one out of four pay 30% or more on rent

% of Renter Households spending 30% or more and % of Households spending 50% or more of Household Income on Rent in London

<table>
<thead>
<tr>
<th></th>
<th>Total Number Renter Households</th>
<th># spending 30% or more on rent</th>
<th>% of Households spending 30% or more on rent</th>
<th># spending 50% or more on rent</th>
<th>% of Households spending 50% or more on rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>56,230</td>
<td>25,225</td>
<td>44.8%</td>
<td>12,695</td>
<td>22.6%</td>
</tr>
<tr>
<td>2006</td>
<td>54,875</td>
<td>24,445</td>
<td>44.5%</td>
<td>10,955</td>
<td>20.0%</td>
</tr>
</tbody>
</table>

Percent of Households Paying 30% or More of Income, by Tenure and Household Type, 2001 and 2006

4. Housing Affordability

The Canada Mortgage and Housing Corporation (CMHC) provides a measure of housing affordability through the establishment of Core Need Income Thresholds (CNIT). These thresholds have been used for the purpose of setting the maximum household income level of eligibility for assisted housing programs: calculated by estimating the annual gross household income required to access a unit renting at Median Market Rent (MMR) without the household paying more than 30% of income. MMR is the median monthly cost of renting various sized units within the market area.

CMHC Core Housing Need Figures, London CMA

<table>
<thead>
<tr>
<th>London CMA 2007 Core Need Income Thresholds (lyr)</th>
<th>Bachelor</th>
<th>One Bedroom</th>
<th>Two Bedroom</th>
<th>Three Bedroom</th>
<th>Four+ Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>n/a</td>
<td>26,500</td>
<td>32,000</td>
<td>41,500</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>London CMA 2007 Median Market Rents (lmo)</td>
<td>Bachelor</td>
<td>One Bedroom</td>
<td>Two Bedroom</td>
<td>Three Bedroom</td>
<td>Four+ Bedroom</td>
</tr>
<tr>
<td>393</td>
<td>655</td>
<td>800</td>
<td>1,035</td>
<td>1,245</td>
<td></td>
</tr>
</tbody>
</table>

The figures above are used to calculate wages needed to earn income thresholds and number of work hours needed to pay median market rents.

4 CMHC. CNIT Tables.
5. Change in London Rents by Household Size

<table>
<thead>
<tr>
<th></th>
<th>Bachelor</th>
<th>1 Bedroom Apt</th>
<th>2 Bedroom Apt</th>
<th>3 Bedroom Apt</th>
<th>2 Bedroom Townhouse</th>
<th>3 Bedroom Townhouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-2006</td>
<td>13%</td>
<td>16%</td>
<td>20%</td>
<td>21%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>2001-2007</td>
<td>17%</td>
<td>19%</td>
<td>22%</td>
<td>21%</td>
<td>17%</td>
<td>14%</td>
</tr>
</tbody>
</table>

6. Use of Emergency Shelters

- Beds Occupied Each Night
- Individuals and Families Served Each Month

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>166</td>
<td>470</td>
<td>504</td>
<td>537</td>
<td>613</td>
<td>747</td>
<td>986</td>
<td>934</td>
</tr>
</tbody>
</table>

7. Social Housing Waiting List by Household Size & Type

September 30, 2009

<table>
<thead>
<tr>
<th>Client Group</th>
<th>Bachelor</th>
<th>1 bdr</th>
<th>2 bdr</th>
<th>3 bdr</th>
<th>4 bdr</th>
<th>5 bdr</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households with Dependents</td>
<td>0</td>
<td>0</td>
<td>777</td>
<td>600</td>
<td>269</td>
<td>119</td>
<td>1785</td>
</tr>
<tr>
<td>Households with NO Dependents</td>
<td>3</td>
<td>220</td>
<td>99</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>2130</td>
</tr>
<tr>
<td>Senior Households</td>
<td>430</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>434</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>2455</td>
<td>880</td>
<td>601</td>
<td>271</td>
<td>119</td>
<td>4329</td>
</tr>
</tbody>
</table>

5 CMHC. Rental Market Survey.
7 City of London, Housing Access Centre
8. Social Housing Inventory (number of units by program)

<table>
<thead>
<tr>
<th>Provider by Program Type</th>
<th># of Providers</th>
<th># of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Non-Profit</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>Cooperative (former provincial)</td>
<td>16</td>
<td>1122</td>
</tr>
<tr>
<td>Non-Profit (former provincial)</td>
<td>37</td>
<td>1799</td>
</tr>
<tr>
<td>Public Housing (London &amp; Middlesex Housing Corp)</td>
<td>1 with 31 complexes</td>
<td>3282</td>
</tr>
<tr>
<td>Rent Supplement</td>
<td>39 private &amp; NP landlords</td>
<td>572</td>
</tr>
<tr>
<td>Non-Profit (Federal Unilateral)</td>
<td>27</td>
<td>1357</td>
</tr>
</tbody>
</table>

Sub-total Receiving Municipal Funding under the Social Housing Reform Act 2000: 121 units, 8148 units.

Total Social Housing in London & Middlesex: 138 units, 9074 units.

9. New Affordable Housing Created To-Date

Since 2004 the City of London has committed to 1,134 new affordable rental units, 793 of which are complete or under construction and has committed $20.2M in municipal funding which has leveraged over $79M in private sector funding under the Canada-Ontario Affordable Housing Program as well as under local affordable housing initiatives, such as the partnership with the Canada Mortgage and Housing Corporation Residential Rehabilitation Program in the City of London Convert-To-Rent Program and under the City of London Housing Partnership Policy.

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* Should all the proposals submitted to the Province by the City of London under the Canada-Ontario Affordable Housing Program be approved (including those currently before the Province), we will have created 1,134 new affordable housing units towards the goal set in our Affordable Housing Strategy of 1,200 units by the year 2010.