

To: Warden and Members of County Council

From: Director of Human Services

Municipal Housing Facilities Agreement with Dream Legacy Foundation

RECOMMENDATIONS

- 1. That County Council authorize the allocation of up to \$1.2 million from the Affordable Housing Reserve, up to \$480,000 from the Ontario Housing Priorities Initiative (OPHI) and up to \$635,000 from the Canada-Ontario Community Housing Initiative (COCHI), to Dream Legacy Foundation, to support the development of a 43-unit multi-residential rental building, including a minimum of 23 affordable rental units, at 175 Springbank Avenue North, in the City of Woodstock;**
- 2. And further, that County Council authorize the Chief Administrative Officer and the Director of Human Services to execute an Agreement of Purchase and Sale with Dream Legacy Foundation, for the conveyance of the County owned lands located at 175 Springbank Avenue North, Woodstock, as shown on Attachment 1 to this report, to facilitate the proposed affordable housing project;**
- 3. And further, that County Council authorize the Chief Administrative Officer and the Director of Human Services to execute a Municipal Housing Facilities Agreement and all other necessary documents related to the proposed affordable housing project located at 175 Springbank Avenue North, in the City of Woodstock.**

REPORT HIGHLIGHTS

- The proposed three-storey multi-residential development will consist of 43 units, with 23 offered at affordable rental rates. The proposed affordable units will consist of a mix of one and two bedrooms, offered to seniors and single women with children.
- The project will include an addition to the former church building on the property and construction is expected to commence by March 2024, with occupancy anticipated by October, 2025.
- This proposal will maximize available funding and leverage vacant surplus lands to address the increasing shortage of affordable rental units.

Implementation Points

Upon Council’s approval, staff will execute a Municipal Housing Facilities Agreement, including required securities, with Dream Legacy Foundation. The County solicitor will also prepare an agreement of purchase and sale, and execute all other legal documents related to such.

Financial Impact

Staff are seeking Council’s approval to allocate up to \$1.2 million from the County Affordable Housing Reserve, as previously approved by Council through Report No. [CAO 2022-03](#), up to \$480,000 from the Ontario Housing Priorities Initiative (OPHI) and up to \$635,000 from the Canada-Ontario Community Housing Initiative (COCHI), for a total funding amount of \$2,315,000. In addition, the County owned lands located at 175 Springbank Avenue North are also proposed to be leveraged in support of the proposed rental project.







For Council’s information, half of the proceeds for the property purchase (\$700,000) were also deposited into a trust for the purpose of providing rent supplements to the future tenants of the affordable units. In this respect, each tenant of the proposed affordable units will be provided with a monthly rent supplement of \$150.00 to offset rental costs. This supplement will continue until the funds have diminished.

The Municipal and Federal/Provincial funds, as well as the value of the land, will be secured on title as a charge.

Communications

This report pertains to funding allocations from the County, Province and Federal Governments, as well as the development of a County owned surplus property located in the City of Woodstock. In light of this, details of this proposal have been shared with the Ministry of Municipal Affairs and Housing (MMAH), City of Woodstock and County staff (Planning/Public Works). The congregation of Bethany Lutheran Church was also consulted prior to preparing this report.

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
1.i. 1.ii.		3.iii.			

DISCUSSION

Background

On April 14, 2021, County Council passed a resolution authorizing the acquisition of 175 Springbank Avenue North, Woodstock, for \$1.4 million in support of a future multi-residential affordable housing project. As a condition of the purchase, half of the proceeds from the sale were placed into a trust for the purpose of providing rent supplements to the future tenants of the proposed affordable units.

Further, on March 9, 2022, Council passed a resolution to allocate up to \$1.2 million from the Affordable Housing Reserve to support the proposed project. Following this, staff issued an Expression of Interest (EOI) to provide an opportunity to review intended affordable housing proposals and provide feedback in light of a future Request for Proposal (RFP). In response to the EOI, two submissions were received from Indwell and Becc Construction.

Sequentially in June 2022, County Council approved By-law No. 6449-2022, declaring the subject lands surplus to the needs of the Municipality. As such, staff were authorized to release an RFP to solicit prospective proponents for the development of affordable housing, and proceed with disposal of the property in accordance with the Disposal of Surplus Land Policy and Housing First Policy. The RFP was first issued on July 13, 2022, and included a capital allocation of up to \$1.2 million from the County's Affordable Housing Reserve, the value of the lands, and funds in the amount of \$428,000 from the Canada-Ontario Community Housing Initiative (COCHI). Due to unpredictable interest rates and inflated construction costs at that time, no qualifying submissions were received.

An RFP was again released in February 2023, with a closing date of May 10, 2023. The RFP included additional Federal/Provincial funding to support the proposed project, and staff completed the preliminary planning approvals to ensure greater project certainty. In response to the RFP, three submissions were received from Dream Trust Foundation, Crosswalk Communities and Indwell.

Comments

RFP Parameters

The RFP was issued in accordance with the Housing First Policy, with the following general eligibility criteria:

- The owner and operator of the proposed project must be a non-profit or for-profit organization with strong development, management and financial capabilities.
- A minimum of 40 units shall be proposed, with the majority being affordable units.
- The proponent must be able to sign a Municipal Housing Facilities Agreement on or before July 31, 2023.
- The proponent must have relevant experience managing/developing similar housing types.
- Costing shall be appropriate and in keeping with the development proposed.
- Proponents that have a long-term intent to maintain affordable rental rates beyond 25 years.

- The existing long-term lease with the Trustees of Bethany Lutheran Church must be maintained.

[Proposal Review](#)

The following table provides a summary of the significant details that were provided in each of the proposals that were received.

Proponent	Number of Units	Unit Types	Target Tenants	Affordability Term	Proposed Capital Funding per Affordable Unit	Additional Planning Approvals
Dream Legacy Foundation	43 total (23 affordable units)	36 one-bed 7 two-bed	Mostly Seniors (65 plus) with some women and children	Minimum of 30 years	Approximately \$100,000	None Proposed
Crosswalk Communities	43 total (24 affordable units)	36 one-bed 7 two-bed	Seniors and working singles/families	Minimum of 25 years	Approximately \$100,000	Reduced Parking
Indwell	43 total (all supportive affordable units)	36 one-bed 7 two-bed	Mostly Seniors (65 plus) with some women and children	Minimum of 25 years	N/A An additional allocation of approx. \$12 million is being requested to support this project	Reduced Parking

The proposals were reviewed by staff from Human Services, Planning and Public Works, with consideration for community need, affordability period, construction timelines, proponent experience/qualifications and total number of units proposed. In light of the scoring criteria, staff are recommending that the RFP be awarded to Dream Legacy Foundation (Dream).

In comparison to the other submissions that were received, it is noted that Dream is seeking a partnership with Canada Mortgage Housing Corporation (CMHC) to access unallocated funds that target black-led non-profit organizations. This funding opportunity provides greater certainty in terms of ensuring the project remains financial feasible over the long-term. The proponent’s proposal also most closely reflects the RFP scoring criteria and general requirements in terms of unit types, target tenants, development experience, and affordability term.

The following sections provide further detail with respect to the significant review criteria in Dream’s proposal.

[Unit Breakdown](#)

Dream is proposing to construct a 43-unit residential apartment building, including 23 affordable units. The building will include a mix of one and two-bedroom units, to which 20 one-bedroom and

3 two-bedroom units are intended to be affordable. The one-bedroom units will comprise an area of approximately 550 ft², while the two-bedroom units will comprise approximately 725 ft².

Rental Rates & Household Income

The following table provides a summary of the proposed rental rates:

Unit Types	Total Number of Units	Rents	Household Income Threshold
Low-Affordable Units (80% of the Average Market Rent)	14 one bedroom	\$929 per month	<\$46,000
Moderate-Affordable Units (100% of the Average Market Rent)	6 one bedroom & 3 two bedroom	\$1,161 - \$1,384 per month	<\$54,600
Market Units	16 one bedroom & 4 two bedroom	> \$1,385 per month	Approximately \$54,601 to \$80,000

While twenty of the units will be rented at market rates, staff note that in accordance with the Housing Needs Assessment that was completed in support of the Master Housing Strategy, there is an increasing need to provide ‘missing middle’ rental housing, which is generally offered to households with incomes in the range of \$55,000 to \$80,000. In this respect, the proposed project seeks to offer units at a rate that will assist to address the ‘missing middle’, as well as offer units to ensure the project remains financially viable over the long-term.

Target Tenants and Need

The proposed residential building will primarily target seniors (generally individuals over the age of 65), as well as some single women with children. The proposed affordable units will remain affordable to these target tenants for a minimum of 30 years, which is beyond the typical 25-year expectation for such projects.

Based on the Housing Needs Assessment that was completed in support of the Master Housing Strategy, and a review of core housing need data, there is an increasing need to provide housing accommodations for seniors and lone-person households. This proposal seeks to address both of these demands.

Proponent Experience

Dream Legacy Foundation was established in 2016 with a core focus on affordable housing. The not-for-profit has partnered with Tru-Life Developments, who has extensive multi-residential development experience in the greater Toronto Area. The group is working with Tim Welch Consulting (TWC), which was established in 2005 for the purpose of supporting affordable housing development projects. While this is a fairly new partnership, the partners each bring extensive experience in both the development and operation of affordable housing.

Overall, the project team includes Tim Welch Consulting, Nith Valley Construction, Grinham Architects, which all have significant experience designing, managing and constructing various housing projects.

Development Timelines

In accordance with the proponent's submission, the proposed project is expected to align with the major construction milestone dates, as follows:

No.	Activity	Anticipated Date
1.	Signed Municipal Housing Facilities Agreement	July 31, 2023
2.	Construction Start	March 31, 2024
3.	Occupancy	October, 2025

Rent Supplements

To ensure greater affordability, a rent supplement in the amount of \$150.00 per unit, will be provided for the future tenants of the affordable units. These funds will continue until such time as the existing trust fund has diminished.

County staff will continue to monitor the trust fund to ensure rent supplements are being provided appropriately and in line with the terms of the agreement.

Development Proposal

Dream is proposing a mixed-income building, including both affordable and market rent units. In doing so, a variety of housing accommodations will be provided in an effort to address supply shortages across the housing continuum.

In relation to building design, the proposed building consists of an addition to the existing building on the property, with three storeys above grade. The first level will include a continuation of the existing building on the property making use of the previous church space. Each unit will include a private balcony and the building will incorporate a number of energy efficient measures, including energy efficient appliances, heating/cooling, lighting, higher insulation, and continued use of the existing solar panels.

The subject property was most recently redesignated and zoned to accommodate a multi-residential building with up to 43 units. The proponent is proposing to maintain the existing site plan that is shown on Attachment 2 to ensure no further public planning approvals are required.

Conclusions

The need to develop additional affordable rental housing is identified as a goal in the Oxford County Strategic Plan, County Official Plan, Future Oxford Community Sustainability Plan, County's 10 Year Shelter Plan, Master Housing Strategy and Zero Poverty Action Plan.

Overall, this proposal presents a unique partnership opportunity to address the current housing supply shortage, by providing a mix of affordable and market rental units to seniors and single women with children.

SIGNATURES

Report Author:

Original signed by

Rebecca Smith, MPA, MCIP, RPP
Manager of Housing Development

Departmental Approval:

Original signed by

Kelly Black
Director of Human Services

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer

ATTACHMENTS

Attachment 1 – Location Map – July 7, 2023
Attachment 2 – Proposed Site Plan – December 9, 2022