

REPORT TO COUNTY COUNCIL

CMHC Funding for County Social Housing Improvements

To: Warden and Members of County Council

From: Director of Public Works

RECOMMENDATIONS

1. That Oxford County Council authorize up to \$8,094,000 in planned spending over the next three years, in order to meet the funding requirements for Canada Mortgage and Housing Corporation to provide \$3,222,743 in contributions through the National Housing Co-Investment Fund;
2. And further, that the Chief Administrative Officer and the Director of Public Works be authorized to execute all documents related to the funding agreement, as outlined in Report PW 2023-46.

REPORT HIGHLIGHTS

- Canada Mortgage and Housing Corporation (CMHC) is offering funding with the goal of preserving existing housing stock, while improving its long-term sustainability.
- Project implementation is already included in the multi-year capital plan and will include facility renewal, accessibility improvements and reduction in Green House Gas (GHG) emissions of approximately 30% across 12 County-owned social housing sites.
- The County will receive \$3,222,743 in funding to assist with completing planned social housing unit maintenance and upgrade work and reduce impacts to the County's Social Housing Reserve.

IMPLEMENTATION POINTS

Upon approval of the recommendations contained in this report, staff will work with CMHC to finalize and execute the funding agreement. The listing of social housing projects that make up the funding application are already included in the budget for the next three years. As of January, staff will begin work on executing the projects planned for 2024, and will ensure the remaining projects remain in the 2025 and 2026 budgets.

Financial Impact

As part of the National Housing Co-Investment Fund (NHCF) agreement, CMHC will provide up to \$10,000 per unit, or 30% of applicable projects costs. The social housing projects being funded as part of this agreement are already identified in the 2024 Business Plan and Budget, as well as future year planning for 2025 and 2026. The majority of social housing projects have already been identified through the Facilities Building Condition Assessment renewal activities, and the projects related to GHG emission reductions are being included in the next iteration of the Energy Management Plan (EMP) that will be published in 2024.

The funding application also allows the County to apply for renewal and energy/GHG reduction projects from the previous two years (2022 and 2023). Staff have analyzed the projects completed at the applicable social housing sites and have included these in the funding total. An overview of the social housing project types, timing and value are included below in Table 1.

Table 1 – Multi-year Project Funding for Social Housing

Social Housing Project Type	2022 Actual	2023 Actual to Oct.	2024 Budgeted	2025 Budgeted	2026 Budgeted
Planned Building Condition Assessment Renewal/Accessibility Work	\$474,761	\$1,190,889	\$711,900	\$1,334,300	\$1,228,800
Unit Turnover Repairs	432,409	250,518	360,000	405,000	450,000
Energy/GHG Reduction Projects	—	299,900	470,000	1,631,000	1,503,000
Annual Total	\$907,170	\$1,741,307	\$1,541,900	\$3,370,300	\$3,181,800
Spent/Committed		2,648,477			—
Planned Spend		—			8,094,000
Grand Total					\$10,742,477
Funding (at 30%)					\$3,222,743

At the time of preparing the 2024 Business Plan and Budget, preliminary information was available on eligibility requirements. Based on the preliminary information, County staff estimated the NHCF grant funding at \$2,518,170 and this was incorporated into the Budget for the 2024-2026 period. Since budget preparation was completed, staff undertook additional conversations with CMHC which determined the County was eligible for an increased amount, as outlined in Table 1.

The additional NHCf grant funding is not anticipated to reduce the amount of the tax levy; however, will reduce the required draw on the Social Housing Reserve, allowing those funds to be redirected to future lifecycle projects as identified through the Asset Management Plan. Once a signed agreement is in place, staff will update the 2024 forecast figures and incorporate the changes into the 2025 Business Plan and Budget process.

Communications




Upon successful completion of the funding agreement, the County will meet all funding advertising requirements and seek opportunities to highlight this initiative as part of the County’s continued effort to maintain its facilities in a good state of repair. The energy and GHG outcomes will also be highlighted as part of the 2024-2029 EMP, with ongoing performance highlighted as part of future Annual Energy Reports.

All project procurement will be done in accordance with the County’s purchasing policy, with public bidding and communication of results completed, as required.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the **2023-2026 Strategic Plan** on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council’s vision of “Working together for a healthy, vibrant, and sustainable future.” These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following Strategic Plan Pillars and Goals:

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
Goal 1.2 – Sustainable infrastructure and development	Goal 2.1 – Climate change mitigation and adaptation	Goal 3.4 – Financial sustainability

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

Oxford County currently owns and operates 636 residential units across 25 locations, which house clients supported by the Human Services department. Each year, through the Business Plan and Budget process, the Public Works department, through Facilities, allocates funds towards maintaining these facilities in a state of good repair, to allow continued use by clientele and to maximize cost efficiency.

In 2023, CMHC approached the County about a funding program being offered to municipalities and community housing providers through the NHCF. The goal of the program is to assist providers with repairs and renewals of their housing stock, while improving the long-term sustainability of units.

The funding opportunity offers up to \$10,000 per applicable residential unit, or a maximum of 30% of construction costs, to undertake capital upgrades to update conditions, improve accessibility, and reduce GHG emissions. Collectively, the projects identified to be implemented must achieve a GHG emissions reduction of 25% across the selected facilities, and provide accessible features in 20% of the selected units. These two goals will improve operational efficiency and improve the living conditions for current and future clients.

Comments

Facilities staff reviewed the 10 year capital plan forecast for the County's social housing portfolio to determine which projects have already been identified across each site through the previously completed Building Condition Assessments (BCA's). In conjunction, an analysis was undertaken to look at a series of energy assessments that have been completed at some sites as part of the current EMP, which identify GHG reduction initiatives that are going to be included in the 2024-2029 EMP update.

Through this work, it was determined that by implementing the assessment recommendations at five sites, the 25% target can be achieved across a total of 12 sites which expands the funding opportunity to include a larger pool of projects. Table 2 outlines how the GHG reductions will be achieved.

By leveraging identified GHG performance improvements at the five locations, the County is able to maximize this opportunity to fund maintenance renewal work across all 12 sites. In the future, additional GHG reduction measures will continue to be implemented at the remaining seven sites; however, it was not realistic to fully execute any additional GHG related projects within the three year timeframe.

Table 2 – Social Housing Site GHG Reduction Breakdown

Location	Current GHG (tCO2e)	Planned Reduction (tCO2e)	% Reduction
70 Maria St	14.1	7.0	50%
178 Earl St	16.5	6.9	42%
16 George St	22.7	14.3	63%
82 Finkle St	51.9	36.2	70%
135 Carroll St	80.0	43.7	55%
215 Lisgar Ave	23.2	-	-
111 Brock St	15.3	-	-
174 Lisgar Ave	24.2	-	-
221 Thames St N	24.7	-	-
816 Alice St	23.9	-	-
235 Thames St N	63.8	-	-
57 Rolph St	18.4	-	-
Total	378.7	108.1	29%

Across the 12 social housing sites included, there are a total of 113 projects included in the capital plan for 2024-2026. These projects include energy efficiency upgrades, as well as capital renewal and accessibility upgrades identified in the facility BCA's. In addition, an allowance for 45 unit turnovers has been included for repair and renewal work undertaken between when one tenant vacates a unit and the next moves in. These unit turnovers occur as part of regular maintenance and operations.

Further to this, the NHCF program also allows for cost recovery of projects completed at these sites during 2022 and 2023. The funding application includes 48 projects that have either been completed last year, or are currently in progress in the current budget year. Cost recovery for 74 unit turnovers is also included for expenses incurred up until September 2023.

CONCLUSIONS

The NHCf program represents an opportunity to share costs on social housing improvement projects that the County has either already completed or already had planned as part of its maintenance and energy management programs.

By providing an advanced commitment to completing these projects over the next three years, the County can take advantage of available funding to complete goals common to CMHC and the County regarding long term improvements to social housing sites and the environment.

SIGNATURES

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