

## Report to Community and Protective Services Committee

**To:** Chair and Members, Community and Protective Services Committee  
**From:** Scott Mathers, MPA P.Eng.,  
Deputy City Manager, Planning and Economic Development  
**Subject:** Municipal Contribution Agreement for Vision SOHO Alliance  
**Date:** July 18, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development the following actions **BE TAKEN**:

- a) The Proposed bylaw attached as Appendix "A" BE INTRODUCED at Council on July 24, 2023 to:
  - i. Approve a Contribution Agreement to be entered into between each member of the Vision SOHO Alliance and The Corporation of the City of London;
  - ii. Authorize the Deputy City Manager, Planning and Economic Development to approve amendments to the Contribution Agreement;
  - iii. Authorize the Deputy City Manager, Planning and Economic Development to approve and execute the Tenant Placement Agreement; and
  - iv. Authorize the Deputy City Manager, Planning and Economic Development to execute the Contribution Agreement.

## Executive Summary

On November 23, 2021, the Vision SOHO Alliance, a coalition of non-profit corporations, sought municipal funding for the affordable housing they intend to build on the north portion of the Old Victoria Hospital Lands. On December 7, 2021, Council approved a conditional grant of \$11.2 million for the development of up to 400 affordable housing units. On August 2, 2023, Council approved an increased conditional grant of \$13,9 million to provide up to 400 affordable housing units in the proposed development, subject to a full review of acceptable proforma financial statements, confirmation of other sources of financing, and the development of a municipal contribution agreement.

Civic Administration and the Vision SOHO team have come to terms on the framework of the contribution agreement. SOHO will provide 381 units at a minimum of 80% of MMR for a period of 20-years. As of the submission of this report, the Vision SOHO group has agreed to provide a total of 182 units from the City's waitlist.

## Linkage to the Corporate Strategic Plan

### Housing and Homelessness

Outcome 1 - The City of London demonstrates leadership and builds partnerships to increase quality, affordable, and supportive housing options.

Expected Result – 1.1 Increased access to a range of quality, affordable and supportive housing options that meet the unique needs of Londoners.

Strategies:

- a. Increase the supply, range, and depth of affordability of quality housing options where people feel safe.
- b. Align policies and programs recognizing the broad range of factors that contribute to accessing and maintaining transitional, supportive, community, affordable and market housing.
- c. Address the specific needs of populations, including equity-denied groups, and prioritize housing initiatives that are affordable.

Outcome 2 - London has a robust community system of health, homelessness, housing stability services, policies, procedures, and by-laws in place to support individuals and families at risk of or experiencing homelessness or in precarious housing consistent with Council's recognition of the health and homelessness emergency.

Expected Result – 2.1 Decreased number of Londoners at risk of or experiencing homelessness.

Strategies:

- a. Implement the whole-of-community system response to the health and homelessness crisis that creates pathways to housing.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports

**CPSC November 23, 2021** – [Request for Funding from Vision SOHO Alliance for the Housing Development Project at the Old Victoria Hospital.](#)

**CPSC July 26, 2022** – [Request for Additional Funding from Vision SoHo Alliance for the Housing Development Project at the Old Victoria Hospital Lands](#)

#### 1.2 Project Site History

When the South Street (Old Victoria Hospital) closed in 2013, the buildings were owned by London Health Sciences Center (LHSC), but the majority of the lands were owned by the City of London. An arrangement was made between the City and LHSC in which LHSC contributed costs for the demolition and remediation of the site. The lands were transferred back to the City in phases, including the project lands as phase 2. The project site is

approximately 1.89 hectares, and two buildings remain on site, the Health Services Building and the War Memorial Children’s Hospital to be conserved, repurposed, and integrated into the proposed development.

**1.3 Site Sale**

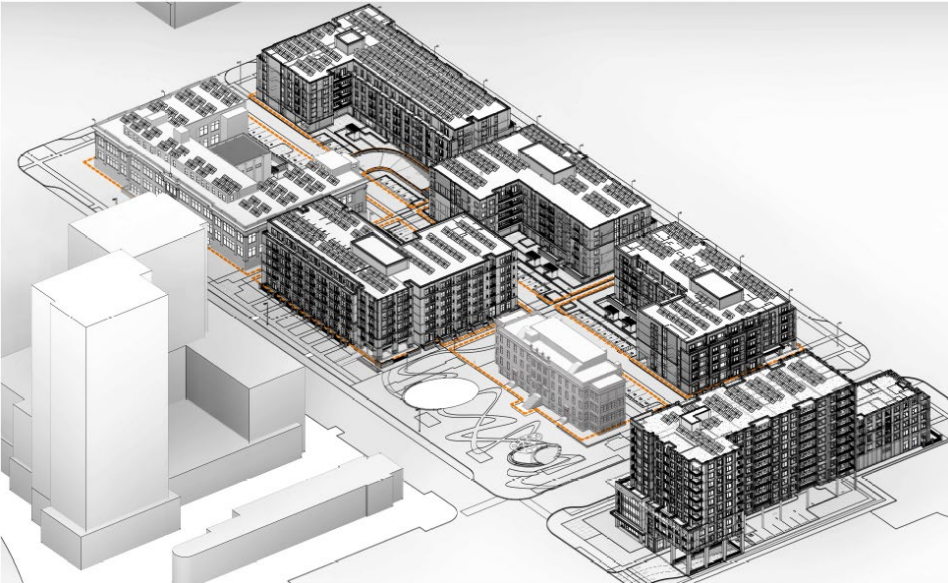
In February of 2021 municipal council approved the sale of the Old Victoria Hospital Lands Phase II (OVHL) to Vision SoHo Alliance group for their proposal to create over 600 units of housing, including up to 400 units of affordable housing. Council’s approval followed a tender sale procurement process for disposition of the OVHL lands which began in August 2020. The Vision SoHo Alliance consists of six regional organizations including; Indwell Community Homes, Zerin Development Corporation, Homes Unlimited (London) Inc., Chelsea Green Home Society, London Affordable Housing Foundation, and Italian Seniors’ Project.

**1.4 Planning Applications**

An application for Official Plan and Zoning By-law Amendments was submitted by the Vision SoHo Alliance to facilitate the project (file: OZ-9418). In November of 2021 Council approved the amendments which ultimately support the development of the Vision SoHo Alliance project. Heritage designation was also applied to the two retained buildings being rehabilitated by Indwell through the November 2021 PEC meeting.

Applications for Site Plan Approval (file: SPA21-081) has been completed with site plan approval issued for both sites. The development agreement was registered for the portion of the lands west of Colborne March 17, 2023. Final approval for the vacant land condo application (file: 39CD-21522) was issued April 19, 2023

Figure 1: Overall Site 3D View – Southeast



## 2.0 The Project

### 2.1 Development Status

Building permit applications have been received for the shared parking lot and the new building by ZerIn on South Street. Securities and the agreements required by planning to approve the developments are in place.

### 2.2 Affordable Units

The Vision SoHo Alliance project will provide 687 new units across the development with 381 of them to be provided as affordable units. Occupancy is anticipated for the majority of the development in 2025 with the earliest in November 2024 and final occupancy in late 2026.

Table 1: Overview of affordable units.

Proponent	Total Units	Affordable Units @ 80% MMR	Commitment to Waitlist	Occupancy
Homes Unlimited (London) Inc.	93	47	10	June 2025
Chelsea Green Home Society	81	41	5	January 2025
London Affordable Housing Foundation	76	39	7	July 2025
ZerIn Development Corporation	119	60	20	February 2025
Indwell - Health Services	96	96	96	January 2025
Indwell - Children's Hospital	42	42	42	November 2024
Residenza Affordable Housing	180	56	2	October 2026
<b>TOTAL</b>	<b>687</b>	<b>381</b>	<b>182</b>	

## 3.0 Municipal Contribution Agreement

### 3.1 Contribution Agreement

Completion of the Project will provide for 381 units for alignment of individuals and families. These municipal interests and the City investment are secured through the terms of the Contribution Agreement (CA) and the subsequent Tenant Placement Agreement (TPA). This agreement sets out the period of affordability and depth (in relation to market rate) in alignment with Federal and Provincial requirements for funding. A rental protocol and

occupancy standards for the affordable units is included to ensure units meet City requirements. The program also targets specific groups, in accordance with the national housing strategy, where greater need has been identified for affordable units.

In order to ensure that projects funded under the Roadmap to 3,000 units provide affordable housing units to those identified by the City as needing affordable housing, a tenant placement agreement forms one of the schedules of a standard municipal contribution agreement.

The CA will reviewed by the City’s Legal Services, Risk Management and Housing Stability Services prior to execution.

**Conclusion**

Approval of the Contribution Agreement, and delegation of authority to approve the Tenant Placement Agreement, between the City and the members of the Vision SoHo Alliance will:

- 1. Secure the municipal interests and investment in the Project.
- 2. Enable the City to secure 381 affordable housing units towards the total of 3,000.
- 3. Enable Vision SoHo Alliance members to access CMHC grant funding and construction financing, and to build in accordance with the approved Development and Condominium Agreements, as required to proceed with construction of the Project.

**Prepared by:** Leif Maitland  
Development Lead, Municipal Housing Development

**Recommended by:** Matt Feldberg MPA, CET  
Director, Municipal Housing Development

**Submitted by:** Scott Mathers MPA, P. Eng.  
Deputy City Manager, Planning and Economic Development

Appendix ‘A’ – Bylaw

Schedule ‘I’ – Municipal Contribution Agreement

## Appendix 'A'

Bill No.

By-law

A by-law to approve a Contribution Agreement between The Corporation of the City of London and Vision SoHo Alliance members, to authorize the Deputy City Manager, Planning and Economic Development to approve amendments to the Contribution Agreement, the Tenant Placement Agreement and execute the Contribution Agreement and Tenant Placement Agreement

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 8 of the *Municipal Act, 2001* provides that powers of a municipality shall be interpreted broadly so as to confer broad authority on a municipality to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to issues;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 107(1) of the *Municipal Act, 2001* authorizes a municipality to make a grant on such terms as to security and otherwise as the council considers appropriate to any person, group or body for any purpose that the council considers to be in the interests of the municipality;

AND WHEREAS subsection 107(2) of the *Municipal Act, 2001* provides that the power to make a grant includes the power to make a grant by way of loan and to charge interest on the loan;

AND WHEREAS the Municipal Council of The Corporation of the City of London approved a conditional grant of \$13,876,000 to provide up to 400 affordable housing units in a proposed development with Vision SoHo Alliance members;

AND WHEREAS Civic Administration was directed to develop a Contribution Agreement with Vision SoHo Alliance members, subject to submission of additional financial and project information from Vision SoHo Alliance;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows;

1. The Contribution Agreement to be entered into between The Corporation of the City of London and each member of the Vision SOHO Alliance attached as Schedule "I" to this bylaw is hereby authorized and approved.
2. The Deputy City Manager, Planning and Economic Development is hereby authorized to approve amendments to the Contribution Agreement authorized and approved pursuant to section 1 of this bylaw.
3. The Deputy City Manager, Planning and Economic Development is hereby authorized to approve and execute the Tenant Placement Agreement prior to first occupancy of each building developed by the members of the Vision SOHO Alliance.
4. The Deputy City Manager, Planning and Economic Development is authorized to execute the Contribution Agreement authorized and approve under section 1 of this bylaw, as may be amended by the Deputy City Manager, Planning and Economic Development pursuant to their authority under section 2 of this bylaw.

PASSED in Open Council on July 25, 2023, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

PASSED in Open Council on July 25, 2023, subject to the provisions of Part VI.1 of the *Municipal Act, 2001*

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk