

# ORIENTATION TO HDC



## Strategic Priorities and Policy Committee

April 13, 2015



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# GUIDING VISION:

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*“ALL members of the community have access to housing that is safe, secure, and suitable to their needs and ability to pay.”*

***Community Housing Vision Statement***



The Affordable Housing Task Force (2000)

The London Community Housing Strategy (2010)

Homeless Prevention and Housing Plan (2013)

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# HDC BACKGROUND:

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## THE GOAL...

### CREATE A MECHANISM TO BETTER ADDRESS...

- The growing need for affordable housing within a growing lower income population
- Relatively static affordable housing stock with low vacancies in the below average market rent sector
- The need for a more sustainable affordable rental development market
- Long-term affordable housing solutions that **add value** to our community



**HDC Approved by Council in Sept 2014  
with Direction to Implement in 2015**



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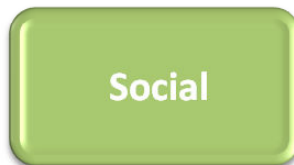
# BACKGROUND:

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## ADDING VALUE through INVESTMENTS in

### Affordable Housing Development

#### Affordable Housing's Triple Bottom Line:



- Long-term safe affordable homes for those in need
- Housing that is integrated in all communities
- Activities that attract private investments toward new assets and skilled local employment

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# OURSTORY

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**MOVING FROM THIS...**

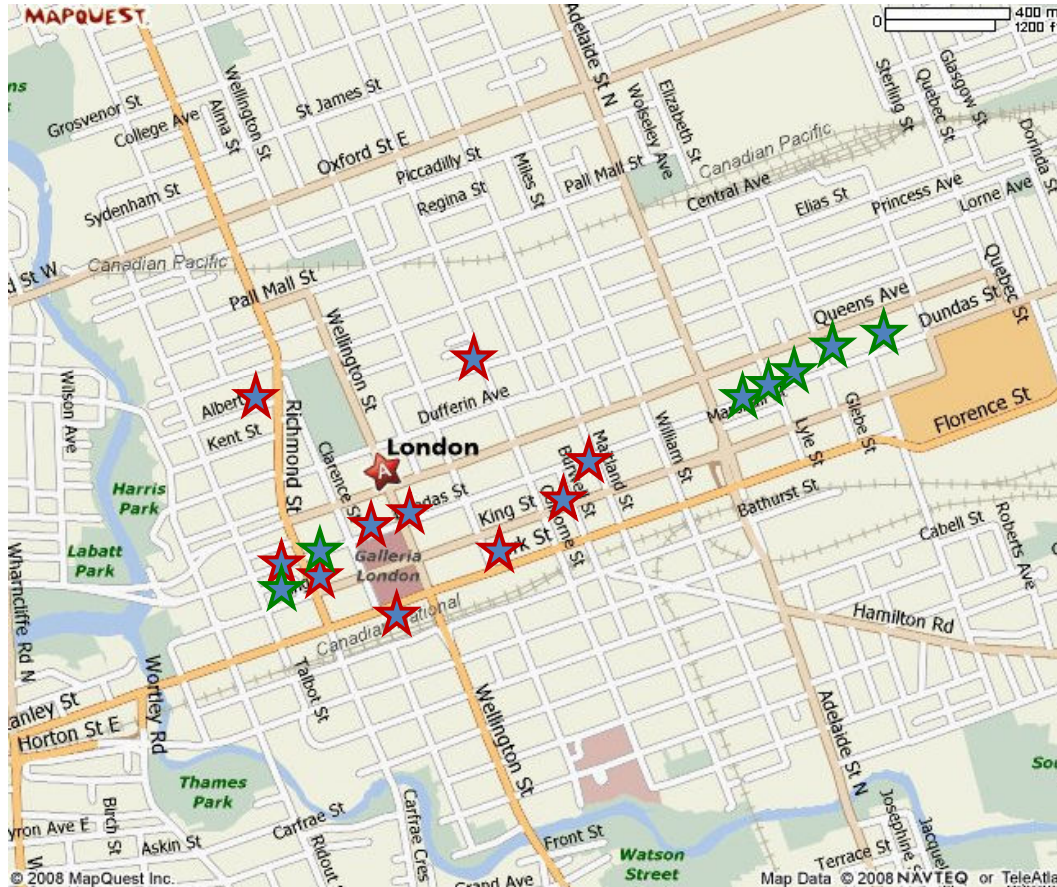


**TO THIS...**



- Affordable homes
- Reduced impact of housing crisis
- Involvement of private and non-profit sector investment
- Engagement and advancement of local skilled labour
- Community building and intensification

# THEIMPACT...



**The BIG PICTURE:**  
296 Units of NEW  
Affordable Housing  
in Core Area  
Between 2006-2011

Approx. 400 units  
In Core and Dundas East  
Corridor (2004-12)

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# UNDERSTANDING CHALLENGES:

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LIFT non-profit affordable housing on King St.

## In our community....

- Affordable housing pressures impact all areas of life and community
- Need for increased coordinated technical expertise, capital, and marketplace engagement
- Existing affordable housing stock (including social housing) is aging and outpaced by need

## In our current approach....

- Limited financial resources and tools to sustain affordable housing development
- Developing and acquiring affordable housing can be complex
- City's structure limits opportunity to work in partnerships and explore business solutions

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# LEVERAGE OPPORTUNITIES:

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## BUILD THE MECHANISM AND CAPACITY TO MAXIMIZE....



Glencoe ON Seniors Apartments

- Available supply of housing and land in London
- Existing and new tools and resources in development
- More effective responses to emerging opportunities
- Available supply of market capital and investment
- Existing stakeholder interest, expertise, and direct engagement

**TOWARD MORE  
AFFORDABLE  
HOUSING  
DEVELOPMENT**

**Affordable housing development has economic, social, and community-wide benefits for the City**



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# WHAT IS HDC?

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## HOUSING DEVELOPMENT CORPORATION, LONDON

- Result of 2 years of study, consultation and business planning
- Independent business corporation to advance development of affordable housing across London and Middlesex
- Mechanism to achieve targets, engage partners, new funding
- Mechanism for social housing regeneration



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# HDC DIRECTION:

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## WHAT IT IS....

**A co-ordinated approach to the development of affordable housing and the deployment of related funding and resources**

**A mechanism to enhance and better utilize municipal incentives and available funding**

**A bringing together of governance tools, existing resources and knowledge to support sustainable development**

## WHAT IT ISN'T...

**A fully funded model that will rapidly creating more units of affordable housing.**

**A stand-alone business capacity**

**“More government”**

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# HDC APPROACH

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- Approach based on sustainable viability of affordable housing
- Focus on initial tools for HDC development
- Establish priorities and plans for:
  - new rental,
  - social housing regeneration,
  - sale and acquisition
- Focus of initial multi-year plan aligned with municipal budget

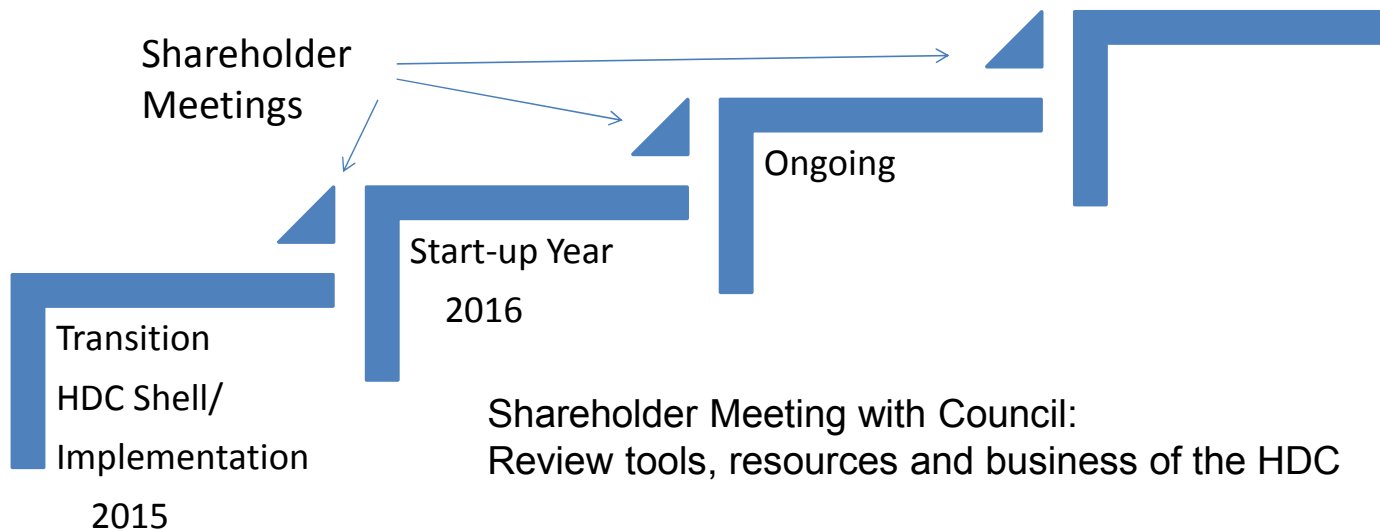


Woodfield developments on Princess Ave

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# HDC APPROACH

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Shareholder Meeting with Council:  
Review tools, resources and business of the HDC

“Stepping- Up” subject to business plan approvals  
and shareholder (Council) directions

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# HDCTOOLS:

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**Land  
Tools**



**New Financial  
Tools**



**Alignment - Broader Community  
and Corporate Plans**



**Development Tools  
and Incentives**



**Competencies  
and  
Governance**

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# GOVERNANCE

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- Separate entity with the City as Sole Shareholder
- Council-appointed Board of Directors with industry expertise
- Focus on development – HDC will develop housing (LMHC manages housing)
- Capital funding approved by Council through annual budget process

225 Dundas  
Convert to Rent  
Before and After



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# ADMINISTRATION

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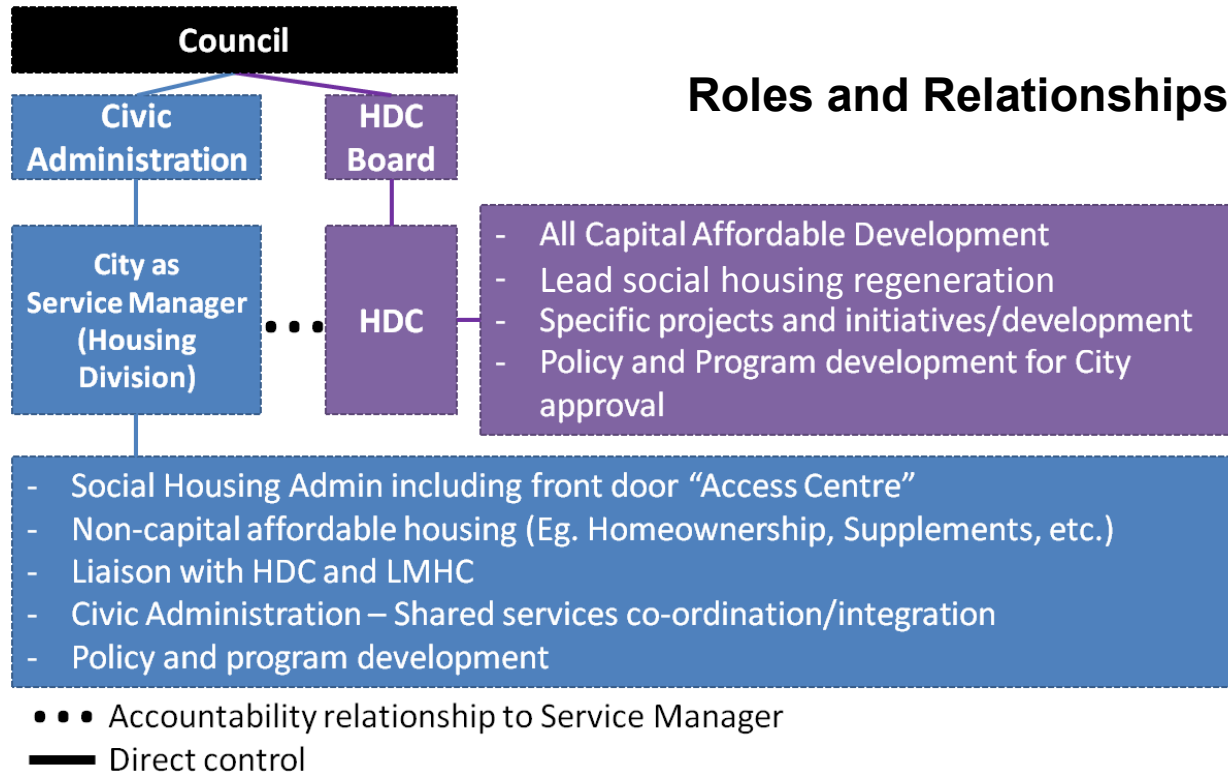
- Current relationship to the City of London
- Assumption of current housing development activities
- Shared services within the City
- City as Service Manager

Ormah Gibson Towers  
on Burwell St  
Before and after



# WHOISWHO:

## Roles and Relationships





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# STRATEGIC PROJECTS:

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## Corporate Strategic Plan...



**Area of Focus:**

Growing our Economy

**Priority:**

Urban Regeneration

**STRATEGY:**

**Create new partnerships to build and support affordable housing**

**STRATEGIC ACTIONS:**

*Creation, Incorporation and Initial operation of HDC*

*Initiate regeneration of LMHC*

*Exploring strategies with specific available City lands*

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# LEARNINGS:

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- Other sites using HDC or alternative delivery models
- Many in Ontario exploring and participating in London model
- Relies on ongoing support and engagement of all sectors and orders of government
- Will advance and support other local plans including OP
- Some new tools will require partnerships and players



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# SUMMARY:

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## HDC as a focused, independent entity...

- Catalyst to enable affordable housing
- Central point of contact and action
- Ability to focus on needs in market
- Streamlined processes to enable leveraging of city land and assets
- New tools and policies
- Industry and market knowledge through independent organization
- Council oversight as shareholder



**77 Tecumseh**  
**Before and planned**  
**(in development)**

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# NEXTSTEPS:

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## Activities toward SPPC:

### GOVERNANCE AND SET-UP:

- Capacity for projects as subsidiaries
- Taxation rules to maximize affordable units
- Preliminary regeneration discussions
- Shareholder declaration
- Articles of incorporation
- Recruiting and starting up with initial board



Current 77 Tecumseh



### STRATEGIC ACTIONS:

- Establish Plans for initial properties
- Recruiting and starting up with initial board
- Regeneration options
- New Partnerships

77 Tecumseh  
Final Plan

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# CONTACTS

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Stephen Giustizia  
Manager, Housing Services

Louise Stevens  
Director, Municipal Housing



Centretown before and during build: Affordable housing, skilled employment, and community development