

TO:	CHAIR AND MEMBERS COMMUNITY & PROTECTIVE SERVICES COMMITTEE MEETING ON OCTOBER 20, 2015
FROM:	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME
SUBJECT:	INVESTMENT IN AFFORDABLE HOUSING (IAH) PROGRAM (2014 EXTENSION) UPDATE TO PROPOSAL FOR IT'S OUR HOME, 193 CLARKE ROAD, LONDON

RECOMMENDATION

That, on the recommendation of the Manager, Housing Services, with the concurrence of the Managing Director of Housing, Social Services and Dearness Home, the following actions BE APPROVED with respect to projects approved under the Investment in Affordable Housing Program:

1. It's Our Home municipal allocation be reduced by \$183,495, retaining \$5,000 per unit for two (2) accessible units, for a revised total municipal allocation of \$10,000 and a federal/provincial allocation be increased by \$240,000 resulting in \$119,036 per unit, for a total federal/provincial allocation of \$1,666,505, for its project located at 193 Clarke Road, London;
2. The City of London forward the above-noted revisions to the Province to amend the allocation under the Investment in Affordable Housing (2014 Extension) Program Year 2;
3. The funding allocation from the Affordable Housing Reserve Fund be updated.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Community and Protective Services Committee

May 20, 2015 Investment in Affordable Housing (IAH) Program (2014 Extension)
Recommendations for Proposals under RFP15-14

BACKGROUND

Investment in Affordable Housing for Ontario (IAH)

Investment in Affordable Housing for Ontario (IAH) is the federal and provincial program for the creation and repair of affordable housing. The IAH provides flexibility, with accountability, to municipal Service Managers to deliver affordable housing in our communities. The City of London is the Service Manager for the city as well as for Middlesex County.

The Ministry of Municipal Affairs and Housing provides guidelines for the various components and program requirements under IAH to facilitate participation by Service Managers.

Funding is allocated by Service Manager area. The funding for London is as follows:

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
(2014/15)	(2015/16)	(2016/17)	(2017/18)	(2018/19)	(2019/20)	
\$2,661,100	\$5,227,900	\$3,535,675	\$5,936,280	\$5,921,390	\$2,743,855	\$26,026,200

Federal/provincial funding not allocated by December 31 in the year indicated must be returned to the Province – “use it or lose it”.

Recommendation under RFP 15-14

Two (2) proposals under RFP 15-14 were recommended to and approved by the Province for funding approval under the IAH Program Year 2, thus utilizing the final amount remaining in that federal/provincial allocation for 2015/16.

At its meeting held May 26, 2015, Municipal Council resolved that: *“It’s Our Home receive a municipal allocation of \$13,106.79 per unit for fourteen (14) IAH units, plus funding of \$5,000 per unit for two (2) accessible units, for a total municipal allocation of \$193,495 and a federal/provincial allocation of \$101,893.21 per unit, for a total federal/provincial allocation of \$1,426,505, for a project located at 193 Clarke Road, London.”*

Capital Components of IAH

The City of London is participating in the following the IAH (2014 Extension) capital funded programs, as guided by our local housing plans: Rental Housing; Homeownership; and Ontario Renovates. Provincial parameters allow for this funding to be reassigned within a given year between these capital programs.

As in the past, Homeownership and Ontario Renovates were proposed to be rolled out during the late spring/ summer of 2015. Unfortunately, circumstances did not permit this roll-out and the program timing would not allow for Homeownership or Ontario Renovates commitments to be made prior to the end of 2015, given the amount of administrative work required to determine eligibility, get quotes, work with partners, and deliver the programs.

The deferral of these two programs allows Administration an ability to review them and ensure that their delivery is more sustainable in future program years. Administration, therefore recommends the reassigning of these funds in 2015 toward the existing New Rental program as defined below.

Recommendation

In order to retain the Year-2 funding, it is recommended that the available balance of Homeownership and Ontario Renovates capital funds for 2015 of \$240,000 be applied to the Rental component of IAH as follows:

193 Clarke Road	May 26, 2015	Per unit	October 20, 2015	Per unit
Total Project Cost	\$2,681,195		\$2,681,195	
Federal/Provincial	\$1,426,505	\$101,893	\$1,666,505	\$119,036
City	\$ 193,495	\$13,821	\$10,000	<i>for 2 units</i>
Owner Equity	\$ 250,000		\$ 193,495	
Mortgage	\$ 811,195		\$ 811,195	

FINANCIAL IMPACT

The funding allocation from the Affordable Housing Reserve Fund will be updated. This reassignment of funding has minimal impact on service targets.

RECOMMENDED BY:	CONCURRED BY:
STEPHEN GIUSTIZIA MANAGER, HOUSING SERVICES	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME

- C. Kyle Murray, Manager, C/S Financial & Business Services
 - A. Dunbar, Mgr Financial Planning & Policy
 - N. Watson, Housing Development Consultant
 - D. Mounteer, Solicitor, City of London
 - T. Brutto & E. Boyd, Municipal Affairs & Housing