



What is HDC?

Incorporated in October 2015

- Council approved business plan
- Aligned with other orders of government,
- embedded in Local Strategies and Plans



What? A MechanismNot a Solution.

Redefining what is possible in creating sustainable affordable rental housing

Supporting need for affordable housing

Aligning housing within a **social and economic** context;

Maximize impact and stabilized longterm investments in affordable housing.



HDC

Governance Vision and Mandate

HDC VISION

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

* The Affordable Housing Task Force (2000)
 The London Community Housing Strategy (2010)
 Housing Vision, Homeless Prevention and Housing Plan (2013)
 HDC Vision Statement (2015)



HDC stimulates the development and sustainability of affordable housing throughout London and Middlesex.

HDC supports the local need for revitalized and strengthened neighbourhoods, and diverse and inclusive communities.

HDC collaborates with all sectors to create and sustain affordable housing and stimulate economic growth.



HDC Drivers

The Growing Need in Local Environment:

- Local average market rental (AMR) rates are increasing quickly
- No new units developed below AMR
- Vacancy rates very low (~1% for 1 bedroom units)
- Increasing demand from a growing population
- Affordable market units are leaving stock



\$1 invested in affordable housing development attracts \$1 of non-government equity (investment or mortgage)



Shareholder Update: Parts Working Together



DRIVERS:

- New leads: HDC, City, and LMHC
- **Great community need**
- **Clearer strategies**



PLAYERS:

- **ALL** orders of government
- **Private and Non-profit Developers**
 - **Communities**
 - Other sectors

APPROACH:

- **Integrated solutions**
- **Engaged community**
- **Efficiency and Maximized value**
- Measurable outcomes



Building a Housing STABILITY System



Maximizing new affordable rental stock

Supporting neighbourhood and housing regeneration including in existing public and social housing

Supporting mixed developments integrated into communities

Building and advancing new tools and approaches

Supporting access to **permanent stable affordable** rental housing with supports to stay housed.

Goals, Priorities, and Strategies

HDC Goals:

- 1. Improve and Enhance on Current Programs Strategies 1 & 2
- 2. Establish New Housing Development Activities Strategies 3 & 4

HDC Priorities

- Maximize value on all funding allocations (greatest number of high quality) units across London and Middlesex County for longest duration)
- Establish new financial and business tools for affordable development
- Work with the City on Municipal (planning, development, finance, land) tools to support affordable development
- Work in partnership with LMHC, the City and other social housing providers on activities that retain and regenerate housing stock.

STRATEGY 1:

Goal 1, Strategy 1: Best Deployment of Funds

2016

Initiated 3 new developments - 2 in London and 1 in Strathroy (no London \$)

161 new units of affordable housing rental units

40 units at 70% average market rent (AMR) - Funded

83 units at 80% AMR - Funded

38 units at approximately AMR (without government investment funds)

19 funded units have formal support services for priority populations

From 20 years (with 5 year cool-down) to 35 year agreements

From municipal forgivable loans to repayable loans through negotiated agreements.

Managed 4 other developments (113 additional units) initiated under City.

2 of these projects (66 units) were completed and in stock in 2017.

2017 and Ongoing:

Working with CMHC on new funds and programs

Advance new strategies with non-profits Supporting challenging project plans

Advance strategies with municipal lands

Advance involvement of social housing providers





Goal 1, Strategy 2: Tools and Incentives



Revised contribution agreements Delegation of City programs

Support of new Habitat developments under HDC program

Work with City Finance on surplus land plans

Finalized asset transfer plans and policies with City

Work with City's Planning and Development Services Teams

Establish final delegation of authority for federal

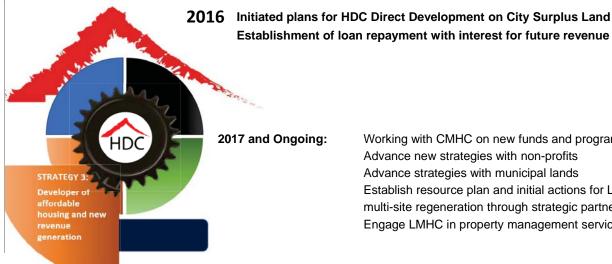
provincial programs

Work with City on Vacant Land and Buildings Strategy

Will need to continue work with Planning on

Community Improvement Plans and other tools

Goal 2, Strategy 3: New Revenue Generation



Establishment of loan repayment with interest for future revenue

Working with CMHC on new funds and programs

Advance new strategies with non-profits

Advance strategies with municipal lands

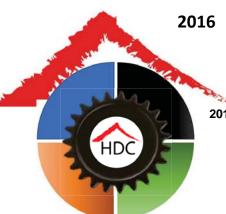
Establish resource plan and initial actions for LMHC multi-site regeneration through strategic partnership

Engage LMHC in property management services

Goal 2, Strategy 4: Innovation



Backbone....Strategy 5: Strong Administration



2016 Corporate policies established New Board of governance for HDC **Supporting Service Manager engagement for housing development** Initial audit

2017 and Ongoing:

Continue to advance procurement process to include ventures with non-profit providers

Recruitment of Development Managers for succession and to initiate regeneration planning and

HDC developments

Establish a revised multi-year business plan and

associated capital plan

STRATEGY 5: THE HDC BACKBONE

Strong Governance and Administration through Values, Principles, Behaviours, and Results. Trust, community engagement, performance, advocacy, partnerships, competency, capacity, etc.



Building the Toolbox



Land Tools



New Financial Tools



Alignment - Broader Community and Corporate Plans



Local Development Tools and Incentives



Competencies and Governance

HDC

2016 Financial Overview

Source	Amount for 2017
City of London (Operating - Admin) (Core Reserve Fund) (Capital – One time)	\$480,748 - no new allocations \$2,000,000 - Ongoing operating contribution \$1,600,000 - One-time allocation to reserve
Federal & Provincial Funding	\$260,000 – Admin funds to deliver programs
Total Operating	\$740,748
Total Capital	\$3,600,000
NEW: Surplus Land Asset Transfer	\$740,000 (Council: May 30, 2017)

Federal and Provincial funding varies from year to year (approx. \$10M in 2017).

One-time grants are applied for to enhance annualized funding and to support special projects.

HD

2016 Project and Allocation Summary

- 161 affordable units created in 2016 with
- funding for 124 of those at ODSP, 70% or 80% AMR affordability levels
- Average cost per funded unit on the 3 2016 projects was \$70,000/unit noting the recovery of \$40,000/unit on municipally funded units.
- Total 2016 municipal investment: \$4m leveraging \$8.5m f/p
- Total f/p/m spending in 2016 was \$12.5 m
- Total in private equity and mortgage was \$12.5 m







HDC

Summary of What's Next 2017/18

- Finalize 2017 Projects (RFP currently out)
- Begin staging multi-year plans including HDC owned projects
- Finalize Design & Development Standards for Affordable Housing
- Establish a Toolbox of Local Programs to Advance Affordable Housing with the City (including Community Improvement Plan)
- Initiate work on regeneration in partnership with LMHC
- Establish mechanisms for other funding (e.g., foundation support, Canadian Housing Sector Bank)
- Establish a multi-year business and capital plan
- Integrate programs and services within a housing system
- Support City/Service Manager in revisions to local Housing Plan and local housing strategic projects

Governance Board

Dan ROSS

Member





Dick BROUWER Chair



Larry HAZEL Treasurer

Louise STEVENS

Member



Vivian LUI Secretary



Stephen GIUSTIZIA CEO



Neil WATSON Development Manager (Contract)



Melissa ESPINOZA Business Manager



ZA Isabel da ROCHA er Business Manager

