



Report to the Shareholder: Reporting Year 2017 From Implementation to IMPACT



HDC

Strategic Priorities and Policy Committee,
June 25, 2018

Housing Development Corporation, London



OVERVIEW OF PRESENTATION

2017 Projects and Status

**HDC and Housing Drivers and
the Local Housing Environment**

Business Plan Update – Amplifying HDC’s Impact

**Moving Forward: Actions Required for
More Affordable Housing**



HDC PROJECTS AND STATUS



COMPLETED IN 2017

193 Clarke Rd., London

14 Units (all affordable)

380 Princess Ave., London

35 Units (33 affordable and 2 market units)

534 Albert St., Strathroy

31 Units (21 affordable and 10 market units)

TOTAL:

80 new rental units

added to stock in 2017



IN PROGRESS

226-230 Dundas St. London

33 affordable units under construction

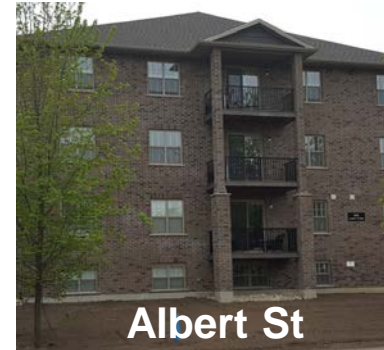




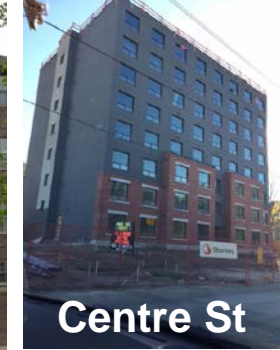
HDC NEW PROJECTS AND STATUS

2017 CONSTRUCTION STARTS

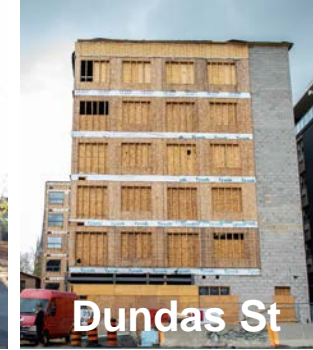
	UNITS		
	Total	Affordable	
356 Dundas St., London	69	50	Under Construction
516 Albert St., Strathroy	31	27	Renting
27 Centre St. London	61	46	Renting



Albert St



Centre St



Dundas St

2018 CONSTRUCTION STARTS

	UNITS	UNITS	COST		
			Total Project	2017 INVESTMENTS	
				Fed/Prov.	Mun./HDC
25 Centre St.	82	45	\$16.0 M	\$4.843 M	\$80,850
770 Whetter Ave.	54	50	\$10.6 M	\$5.575 M	\$64,790

Total of 297 Rental Units: 218 affordable (60 – 80% AMR) and 79 at market rent.



2017 FED/PROV. CAPITAL FUNDING

Federal / Provincial Funding	2017 Allocation	2018 Allocation
Fed. & Prov. New Rental Funding Social Infrastructure Fund (SIF)	\$4,843,290 Invested in 25 Centre St.	\$1,214,940
Investment in Affordable Housing Extension (IAH-E)	\$5,575,210 Invested in 770 Whetter Ave.	\$5,560,960
Federal and Provincial funding varies from to year. ~\$10M in 2017 and ~\$7m in 2018		2018 applications currently under review

**Future programs and funding will change based on the National Housing Strategy.
Federal/Provincial funds must be allocated in accordance to program requirements.**



HDC RESERVE FUND STATUS – CAPITAL

Reserve Fund Details	Funding	Commitments
2017 Reserve Fund: Balance (Includes annual City contribution of \$2,000,000 and 2017 One-Time Funding of \$1,600,000)	\$5,990,560	
2017 Allocations from HDC Reserve: Habitat for Humanity		(\$100,000)
Other Reserve Commitments: 2016 Contribution (to 356 Dundas St. Project) 2017 New Builds Projects (25 Centre and 770 Whetter) 122 Baseline Rd. Project (Initial Allocation) 403 Thompson Rd. Project (Site Readiness Allocation)		(214,205) (\$145,640) (\$3,500,000) (\$250,000)
2018 New Build Projects		Fall 2018 (\$TBD)

The Balance of the HDC Reserve is subject to 2018 project approvals

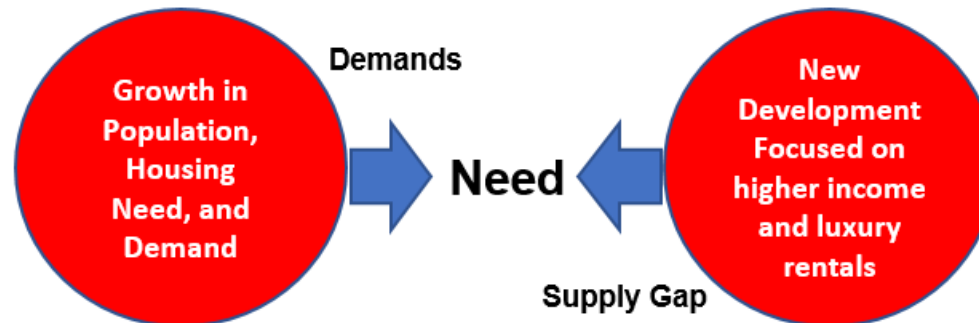
HDC THE HOUSING ENVIRONMENT AND DRIVERS



2018 AND BEYOND: A Supply Challenge

Affordable housing needs continue to grow

- Average market rents (AMR) continue to increase (\$850/m for one bedroom)
- No new purpose built 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





HDC VALUE IN INVESTMENT



Affordable rental housing development creates social, economic, and community value and provides infrastructure investment opportunities.

\$1 invested in new affordable rental housing by governments

attracts / leverages

\$1 of non-government equity (investment or mortgage)



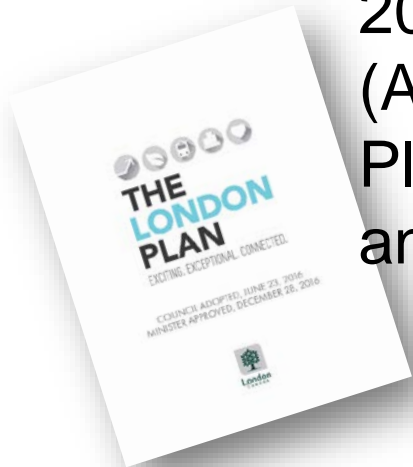


HDC UPDATE: IN 2017 – OUR BUSINESS PLAN STATUS

HDC BUSINESS PLAN UPDATE

2016/17: HDC Implementation

2018: Revising HDC Business Plans 2019-2023
(Align with Council Strategic Plans / Next Multi-Year Budget and London Plan)



GROWING OUR ECONOMY





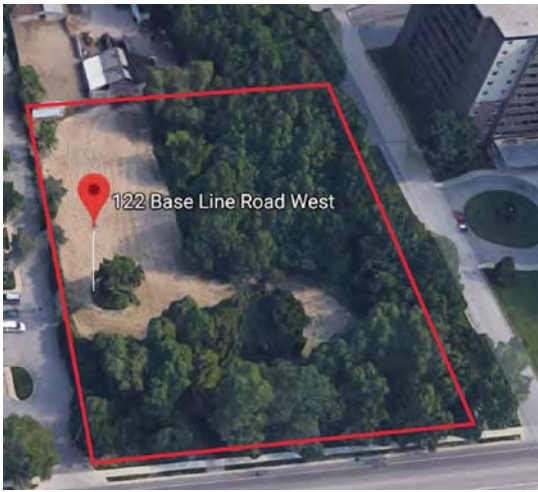
HDC UPDATE: IN 2017 – OUR BUSINESS PLAN STATUS

HDC will build on its solid foundation and amplify its impact as a one-stop resource for affordable housing.





URBAN REGENERATION AND AFFORDABLE HOUSING



122 Baseline Rd. W.



403 Thompson Rd.

Directions	Policies
Build a Diverse City	<ul style="list-style-type: none"> Revitalize our neighbourhoods to serve as community hubs; Develop affordable housing that attracts a diverse population to our city
Build mixed-use compact city	<ul style="list-style-type: none"> Sustain, enhance and revitalize our neighbourhoods; Plan for intensification; Ensure a mix of housing types within our neighbourhoods;
Build strong, healthy, attractive Neighbourhoods	<ul style="list-style-type: none"> Promote connectivity and safety; Design complete neighbourhoods (ages, incomes and abilities); Create social gathering places where neighbours can come together; Integrate affordable forms of housing in all neighbourhoods; Explore creative opportunities for rehabilitating public housing.
Make wise planning decisions	<ul style="list-style-type: none"> Engage stakeholders in all planning processes; Plan for sustainability...economic, social and environmental; Think "big picture" and long-term; Plan for affordable, sustainable infrastructure; Avoid current and future land use conflicts;

Affordable housing development supports urban regeneration and the City's objectives in building diverse, inclusive, welcoming, caring and compassionate communities.



LONDON & MIDDLESEX
HOUSING CORPORATION





MOVING FORWARD: HDC AND MUNICIPAL TOOLS

Land Use Related Programs:

- Surplus lands policies and strategies
- Mixed/shared municipal developments

Planning Policies/Incentives:

- Inclusionary Zoning
- Height and Density Bonusing
- Community Improvement Plans
- Secondary Plans
- Special Policies/Zoning

Fee Based Incentives:

- Development Charge (DC) Strategies
- Building Permits and Expedited Processes
- Application Fees (Reducing /mitigating costs)

Stacking of Supplements:

- Modifying Project Budgets to include current or future supplements and allowances
- Such as the future proposed National Housing Benefit



Design Standards

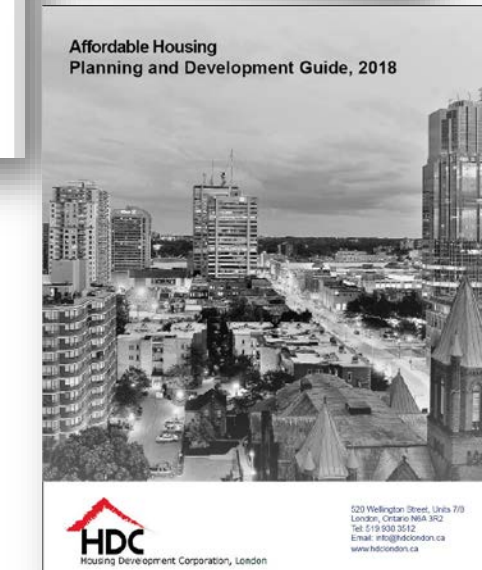
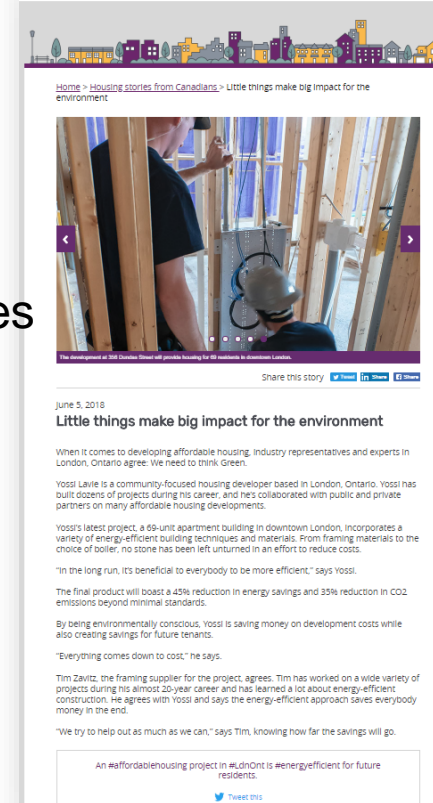
- Encouraging universal design and flexibility
- Supporting best practices in environmental and sustainable design
- Exceeding Ont. Building Code
- Designing integrated mixed populations that integrate into communities
- Leveraging intensity, size, and mix
- Supporting stronger more sustainable financials

Advancing Non-Profit and Market Development:

- Working with non-profit providers on shared tools and strategies
- Working with private developers and builders to secure units in market developments

Advancing New Programs and Services:

- Aligning funding and programs with City services to continue to advance large developments, as well as smaller/single unit forms of development.
- Acting as a single point of access for government programs and incentives for new affordable housing development and regeneration





New Community-Based Finance Opportunity:

Work with existing community resources and agencies to create a focused community land trust and foundation for endowments, gifts, etc. to support capital development and targeted strategies.

25 Centre St
Escalade Property Corp.





QUESTIONS

HDC Board

Dick BROUWER
Chair

Larry HAZEL
Treasurer

Vivian IRON
Secretary

Louise STEVENS
Member

Dan ROSS
Member



HDC Staff

Melissa ESPINOZA
Program and
Business Manager

Isabel DA ROCHA
Program and
Business Manager

Brian TURCOTTE
Development
Manager

Kim WOOD
Development
Manager

Olga ALCHITS
Office Manager

Neil WATSON
(Contract)

Stephen GIUSTIZIA
CEO