

Windsor, Ontario, February 2, 2015

**REPORT NO. 268 of the  
SOCIAL DEVELOPMENT,  
HEALTH & CULTURE STANDING COMMITTEE**  
of its meeting held January 7, 2015

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**Present:**  
Councillor Ed Sleiman, Chair  
Councillor Paul Borrelli  
Councillor Rino Bortolin  
Councillor John Elliott  
Councillor Jo-Anne Gignac

That the following recommendation of the Social Development, Health and Culture Standing Committee **BE APPROVED** as follows:

Moved by Councillor Gignac, seconded by Councillor Borelli,  
**THAT** the report of the Executive Director of Housing & Children's Services entitled "Outcome RFP 110-14 – Rental Housing Component (RHC) of the Investment in Affordable Housing Program (2014 Extension)" dated December 4, 2014 **BE RECEIVED** for information.

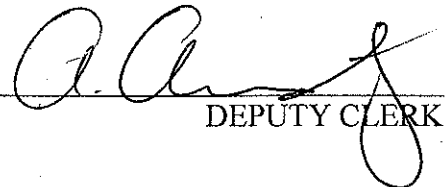
Carried.

**Livelihood 17485 GH/6905**

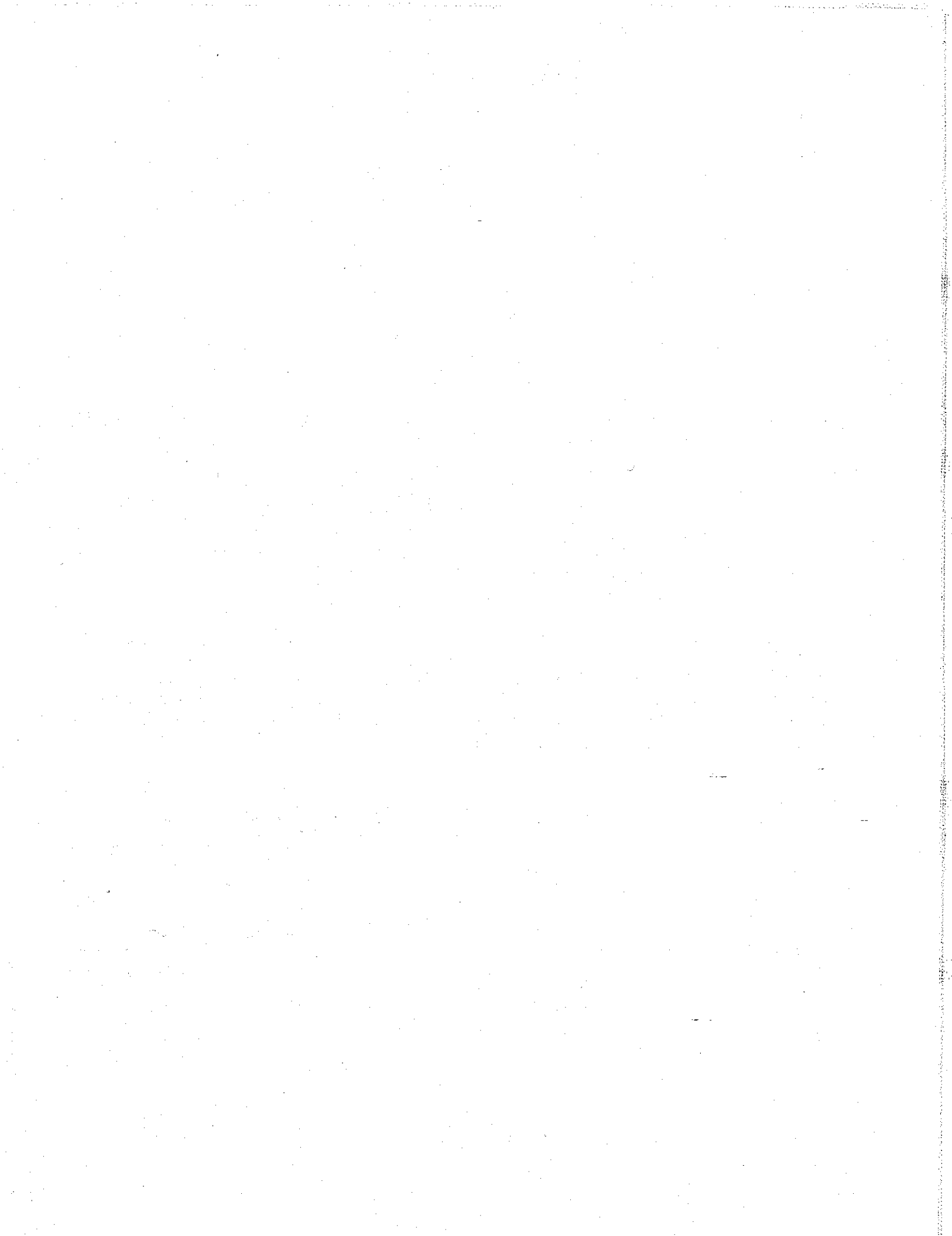
Clerk's Note: The report of the Executive Director of Housing & Children's Services entitled "Outcome RFP 110-14 – Rental Housing Component (RHC) of the Investment in Affordable Housing Program (2014 Extension)" dated December 4, 2014 is attached as background information.



CHAIRPERSON

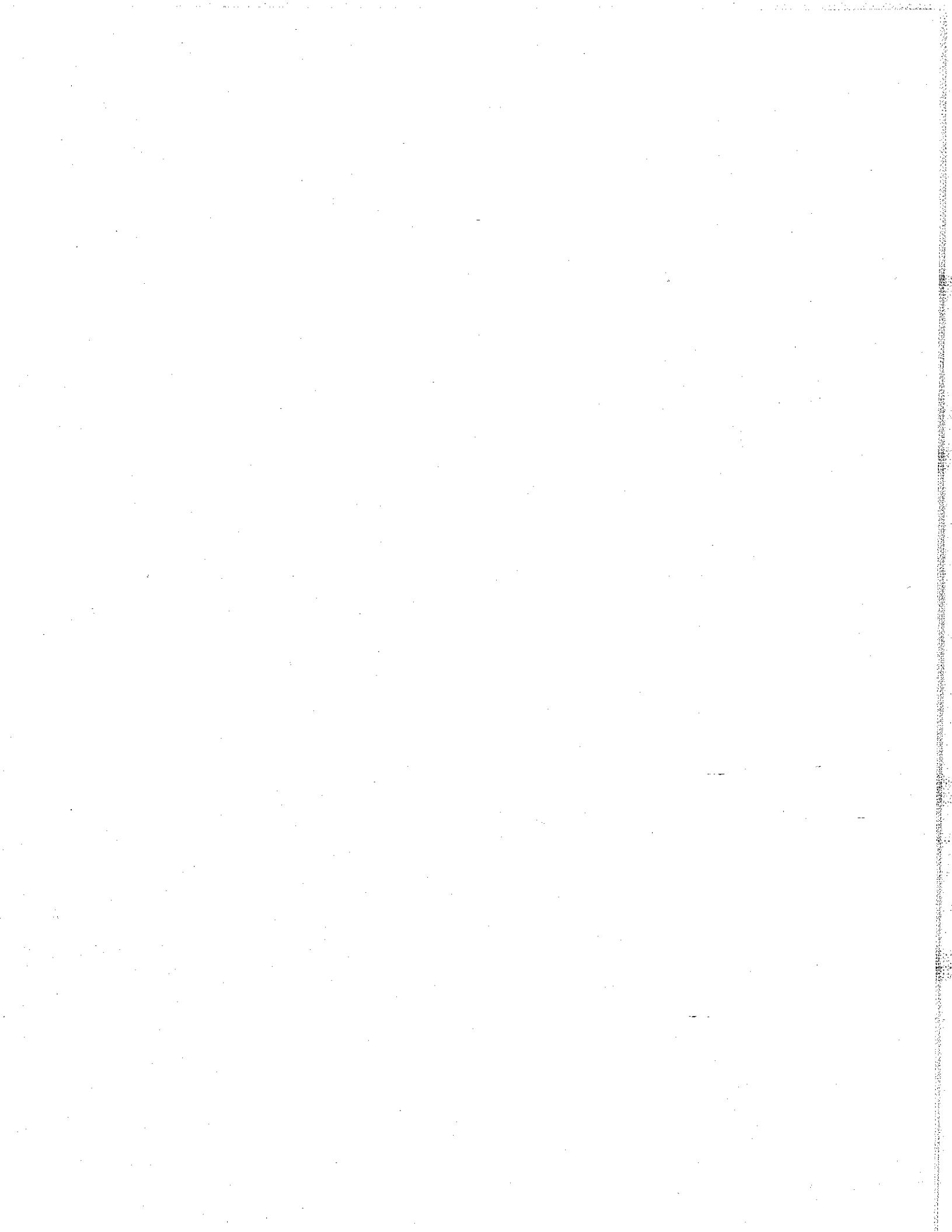


DEPUTY CLERK



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**THE CORPORATION OF THE CITY OF WINDSOR**  
**Social Development, Health and Culture Standing Committee-**  
**Administrative Report**

**MISSION STATEMENT:**

*"The City of Windsor, with the involvement of its citizens, will deliver effective and responsive municipal services, and will mobilize innovative community partnerships"*

<b>LiveLink REPORT #: 17485 GH/6905</b>	<b>Report Date: December 4, 2014</b>
<b>Author's Name: Rob Oleynik</b>	<b>Date to Standing Committee: January 7, 2015</b>
<b>Author's Phone: 519 255-5200 ext. 6278</b>	<b>Classification #:</b>
<b>Author's E-mail: roleynik@city.windsor.on.ca</b>	

**To: Social Development, Health and Culture Standing Committee**

**Subject: Outcome RFP 110-14 - Rental Housing Component (RHC) of the Investment in Affordable Housing Program (2014 Extension)**

**1. RECOMMENDATION: City Wide: X**

To the Social Development, Health and Culture Standing Committee for information.

**EXECUTIVE SUMMARY: N/A**

**2. BACKGROUND:**

**a) IAH Program 2011 to March 2015**

In 2011 Windsor City Council approved participation in the Investment in Affordable Housing for Ontario Program (IAH Program). The IAH program was a four year program that expires on March 31, 2015. The Windsor Essex IAH total funding allocation for the program duration was \$11,843,045.00. Under the IAH Program the Province provided Service Managers with the flexibility to allocate the amount of funding in any combination of five program components in each program year. The five program components are:

1. **Rental Housing Component** – a capital funding component on a 20 year forgivable loan basis, intended to provide affordable rental housing units. The Rental Housing component will fund up to 75% of the total capital cost per unit or \$150,000 per unit, whichever is less, for qualifying new builds, acquisition and rehabilitation or commercial conversion to residential rental projects. Participating landlords are required to maintain rents at 80% of the then current CMHC average or alternate market rents each year. Participating municipalities are required to set the property tax rate equivalent to the single residential rate for units receiving funds under the IAH (2014 Extension).
2. **Homeownership** – a 10% downpayment assistance component on a 20 year forgivable loan basis, intended to assist households to purchase a home. Income/assets limits and various other criteria apply.

3. **Ontario Renovates** – intended to assist eligible homeowners and landlords with renovation and rehabilitation projects. The Homeowner component is on a 10 year forgivable loan basis and income/assets limits and other criteria apply. The Landlord component is on a 15 year forgivable loan basis.
4. **Rent Supplement** – a program component intended to provide a monthly subsidy amount to reduce market rent for eligible households – payable directly to the Landlord.
5. **Housing Allowance** - a program component intended to provide a monthly subsidy amount to reduce market rent for eligible households – payable directly to the Tenant or the Landlord.

Housing Services adopted the Homeownership, Ontario Renovates, Rent Supplement and Housing Allowance components of the program for delivery in Windsor Essex. Implementation of the original IAH Program in Windsor Essex was successful on a number of levels and has assisted some 440 households to date.

**b) IAH (2014 Extension Program 2014 to March 2020)**

On August 11, 2014 the Ministry of Municipal Affairs and Housing announced a six year extension to the IAH Program entitled the IAH (2014 Extension). Service Managers will be provided with annual notional funding allocations in two stages on a “use it or lose” basis in each program year. The first stage includes a funding allocation for Year 1 (2014/2015) of the IAH (2014 Extension). The Windsor Essex funding allocation for Year 1 is \$2,208,000. The second stage of allocations under the program extension is identified as 2015 to 2020. Funding allocations to Service Managers for the second stage of the program extension have not been determined at the time this report was written. The Ministry indicates that the second stage allocations will be based on new census data and will be provided once the data becomes available and has been analyzed by the Province.

**c) City's Role**

The City has a dual role under the program. The first role requires the City to act as the Service Manager to deliver the program in the Windsor Essex region. The second role includes the City as one of the municipalities in Windsor Essex that may participate in the program.

The City as Service Manager continues to have flexibility to develop the program design and delivery methods and allocate funds to any combination of five (5) identified program components including capital funding for residential rental housing, homeownership down payment assistance, rehabilitation and repair work and forms of rent supplement funding. The program development and design flexibility enhances the City's ability to continue to implement strategies to address local housing needs.

**3. DISCUSSION:**

On August 25, 2014, Windsor City Council approved the City's participation in the 6 year IAH (2014 Extension) Program to act as the Service Manager to deliver the program in the Windsor Essex region and to participate as a municipality in Windsor Essex. (Council Report # 17344, Council Resolution #217/2014).

Housing Services allocated the Year 1 funding allocation of the IAH (2014 Extension) Program to the Rental Housing Component of the program. RFP 110-14 was released on September 30, 2014 with a Closing Date of November 4, 2014. The Rental Housing Component was chosen for three primary reasons:

1. The last capital supply program release was in 2011 under a similar predecessor program;
2. The amount of the Year 1 allocation is limited;
3. The timelines of the Year 1 allocation are restrictive.

A total of 10 proposals were received. Two proposals were disqualified and 8 proposals representing approximately \$9,414,600.00 for 83 units were evaluated for the available program funding. The following is a City/County overview of the proposals received:

Item	No. of Proposals	No. of Units Proposed	Program Funds Requested
City	2	18	\$1,565,948.
County	6	65	\$7,848,655.
Totals	8	83	\$9,414,603.

The RFP 110-14 Evaluation Committee met on two occasions and selected the proposal submitted by Nasr Limited for a program funding allocation of \$2,097,600. The proposal is an acquisition/rehabilitation project of an aging motel in Amherstburg Ontario intended to create 20 affordable housing units to assist seniors, persons with disabilities, Aboriginal peoples and low income families. The project will include accessibility and energy efficient features.

#### 4. RISK ANALYSIS:

**Resource Risks** – there will be an impact on resources within Housing Services which are within budget limits. It is believed the impact is manageable. Resource risks are considered low impact and of possible likelihood.

**Timing Risks** – The program timelines set out by the Ministry of Municipal Affairs and Housing are restrictive. If specific functions are not completed within specific timelines, the program funding may be withdrawn. Timing risks are considered high impact but manageable.

**Cross-Corporate Impact Risks:** There are no impacts on other departments. It is considered low impact and unlikely to occur.

**Community Impact Risks:** Community risks are considered low impact.

**Other Risks:** None identified.

#### 5. FINANCIAL MATTERS:

The Windsor Essex Year 1 funding of the IAH (2014 Extension) program is funded 100% by the Federal and Provincial governments. The Evaluation Committee determined that the proposal from Nasr Limited met all program requirements. The Town of Amherstburg confirmed their participation in the program and have agreed to set the property tax rate equivalent to the single residential rate for this project. The total project capital costs are estimated at \$2,809,550.

The Year 1 IAH program funding is allocated as follows:

1. Total Year 1 IAH Program Windsor Essex Funding Allocation \$ 2,208,000.00
2. LESS Administration Fees at 5% : Housing Services: \$ 110,400.00
3. IAH Program Funding available to selected project 75% \$ 2,097,600.00
4. ADD Proponent Nasr Ltd Funding at 25% of project costs \$ 711,950.00
5. Total project Costs \$2,809,550.00

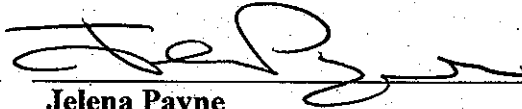
6. **CONSULTATIONS:** None

7. **CONCLUSION:**

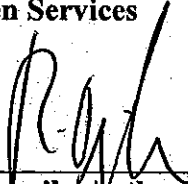
Housing Services is satisfied with the project selected by the RFP 110-14 Evaluation Committee. Community housing stakeholders have frequently noted there is a lack of supply of affordable housing in the County and an additional 20 units, although modest in number, can only serve to provide choice not previously available and help assist those in need of affordable housing in the Windsor Essex Service Area.



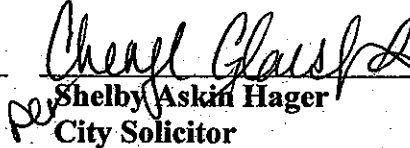

Debbie Cercone  
Executive Director of Housing and  
Children Services



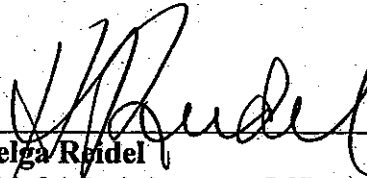
Jelena Payne  
Community Development and Health  
Commissioner



Rob Oleynik, Author  
Program Coordinator  
Housing and Children Services

  
per Shelby Askin Hager  
City Solicitor

For  
Onorio Colucci  
Chief Financial Officer/City  
Treasurers/Corporate Leader Finance and  
Technology



Helga Reidel  
Chief Administrator Officer

**APPENDICES:** None

**DEPARTMENTS/OTHERS CONSULTED:** Mike Deimling, Social Housing Analyst  
519-255-5200 Ext 5358



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