DEVELOPING OPPORTUNITIES FOR ONTARIO RENTERS
90 DEW STREET, TOWNSHIP OF KING

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, October 30, 2008, from the Commissioner of Community and Health Services:

1. **RECOMMENDATIONS**

   It is recommended that:

   1. Council authorize staff to proceed with the development of a 40 unit addition to the existing 27 unit Housing York Inc. building at 90 Dew Street, King City, in the Township of King.

   2. The Commissioner of Community and Health Services be authorized to make application to the Township of King for land use approvals, as appropriate.

   3. The Commissioner of Community and Health Services be authorized to seek additional funding for this project and make any necessary application to secure such funding from the federal and provincial government.

   4. The Commissioner of Community and Health Services be authorized to utilize funds from the Developing Opportunities for Ontario Renters (DOOR) fund to cash flow the development of this project to a maximum of $300,000, to cover development related costs, as may be required until such time as a financing mechanism is selected and approved by Council.

   5. The Commissioner of Community and Health Services be authorized to work with the Supplies and Services Branch to conduct a Request for Proposal for architectural services for this project.

   6. The Commissioner of Community and Health Services be authorized to investigate partnership opportunities with community service agencies to provide supportive housing for this project.

2. **PURPOSE**

   This report provides information about an opportunity to develop new social housing by intensifying the use of an existing Housing York Inc. site in the Township of King. The report also seeks approvals to seek applicable municipal land use approvals, additional
funding partners, and to issue a Request for Proposal to select a project architect and report back to Council.

3. BACKGROUND

Region received $9.665 million in regional funding for housing purposes

Through the adoption of Clause No. 3 of Report No. 6 of the Community Services and Housing Committee at the Regional Council meeting on June 21, 2007 a report was made to Council regarding the Province’s DOOR initiative which allocated $9.665 million to York Region in the form of an unconditional one time grant. Funds from this grant may be used for any capital purpose related to affordable/social housing in the community.

In addition, Affordable Housing Program funds may also become available for this project as the Province will be re-allocating any unused Affordable Housing Program units in January 2009 to Service Managers with construction ready projects. This project could qualify for this additional funding as it does not require re-zoning. Affordable Housing Program funds have a prescribed timeline from the Province requiring projects to be under construction in 2010.

Council approved a strategy to spend DOOR funding which included increasing affordable housing supply

At its June 21, 2007 meeting, Council adopted a number of principles of the proposed strategy to expend the DOOR funds including:
1. Increasing affordable housing supply.
2. Leveraging regional and community funds.
3. Extending access to affordable housing for lower income disabled households.
4. Distributing funds across the region in a manner that complements existing housing program investments.

Project identified as eligible for DOOR funding

This site was identified in the June 21, 2007 Council report as a potential project eligible for DOOR funding.

4. ANALYSIS AND OPTIONS

There is an opportunity to intensify 90 Dew Street

Kingview Court, located at 90 Dew Street in the Township of King, is a 31 year old, two storey, 27 unit apartment community. This building is located in the core area of King
City, giving residents ready access to services, shopping and other amenities (see Attachment 1).

There is potential to expand the existing facility with a three storey addition of approximately 40 new apartment units. The addition would also provide the opportunity to install a much needed elevator that could be utilized by the existing residents. Consideration will also be given to completing a full energy retrofit of Kingview Court for better operating efficiencies.

The elevator installation that will improve accessibility for all residents, will be included as part of the cost of the new addition. The energy saving upgrades to be considered in the existing building include:

- Programmable thermostats in the suites.
- Installation of energy efficient lighting.
- Replacement of refrigerators with Energy Star® rated models.
- Installation of low flow toilets to conserve water.
- Installation of a building automation system to more effectively control heating and ventilation equipment.

The approximate cost of these energy saving retrofits would be in the range of $50,000.

**Proposed development allowed under the current zoning**

A planning study conducted for the Region identified the potential of this site for intensification once water and sewer services are available. The property was intended to accommodate a second phase of housing development but the additional units were never built.

This development would make use of the Region’s existing servicing allocation reserve. Council endorsed the use of this reserve to facilitate the construction of additional non-profit housing through the adoption of Clause No. 6 of Report No. 8 of the Planning and Economic Development Committee on September 18, 2008.

Site plan options have been prepared which demonstrate that under the current zoning, up to 40 new one and two bedroom units can be added to the site in the form of a three storey addition. The concepts illustrate that the addition can be built, including adequate parking, within the existing zoning permissions while still preserving ample green space and a number of large trees on the site.

**Explore opportunities to provide supportive housing**

Staff will explore potential supportive housing partnership opportunities both internally through the Alternative Community Living Program and with agencies such as the Association for Community Living or the Canadian Mental Health Association.
Sources of capital funding have been identified

Based on preliminary project cost estimates, indexed for a late 2009 construction start, the capital cost for the 40 unit addition would be approximately $10 million. This amount has been included in the proposed capital budget for 2009.

Sources of funding for this project will be a combination of DOOR funding, Social Housing Reserve, and debenture proceeds. The debenture would be repaid by tenant rents collected once the units are occupied.

Affordable Housing Program funding may also be available as the Province intends to re-allocate unused Affordable Housing Program funds in early 2009 to Service Managers with construction ready projects. Up to $2.8 million in Affordable Housing Program funding may be available for this project. This would significantly reduce the Region’s Social Housing Reserve contribution.

5. FINANCIAL IMPLICATIONS

The capital cost for this project has been included as part of the overall DOOR funding estimates in the proposed 2009 Capital Business Plan and Budget estimates for the Community and Health Services Department. Should Affordable Housing Program funding become available, it would reduce the Region’s overall capital contribution to this project. The estimated annual operating costs total approximately $459,000 and will be fully offset by market rental revenue paid by tenants, resulting in no ongoing tax levy support being required to operate this property.

Rent supplement funding could be provided to increase the affordability of these units for low income households. Rental supplement funding per unit varies, however, on average the annual costs are approximately $6,700 per unit. As the occupancy date for this project approaches, rent supplement commitments can be reviewed to determine if Rent Supplement could be provided to any additional units. Unless new provincial or federal dollars are provided, ongoing funding for Rent Supplement Programs that increase affordability for low income households will continue to be a pressure for the Region.

6. LOCAL MUNICIPAL IMPACT

There is a need for new affordable housing in the Region. The intensification of this regionally owned site in the Township of King creates an opportunity to provide additional units and improve the accessibility of the existing building. This will permit residents to stay in their present homes longer as they age.
7. CONCLUSION

The development of this site will meet several goals of the Region including providing much needed affordable housing, improving accessibility for existing residents, and intensification of an underutilized building site. Because the property is already owned by Housing York Inc., cost efficiencies can be achieved in this development that would not be available on a new site.

For more information on this report, please contact Sylvia Patterson, General Manager, Housing and Long Term Care at Ext. 2091.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the agenda for the November 12, 2008 Committee meeting.)