6
LEEDER PLACE EMERGENCY FAMILY SHELTER EXPANSION

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, May 1, 2008, from the Commissioner of Community and Health Services:

1. RECOMMENDATIONS

It is recommended that:

1. A Design/Build Contract (the "Design/Build Contract") in the amount of $2,468,870 plus GST be awarded to Monteith Building Group for the design and construction of a new emergency shelter for homeless families on the site owned by Housing York Inc. located at 18838 Yonge Street in the Town of East Gwillimbury.

2. The 2008 Capital Budget for the Leeder Place Emergency Family Shelter Expansion (the "Project") be increased by an additional $700,000 to a total of $2.9 million.

3. Regional Council commit $583,000 of the $9.665 million provided by the Province's Developing Opportunities for Ontario Renters (DOOR) initiative towards the Project, with the remaining $117,000 to be provided by federal homelessness funding.

4. The Regional Chair and the Regional Clerk be authorized to execute the Design/Build Contract, subject to the prior review of Legal Services.

2. PURPOSE

This report seeks authorization to enter into the Design/Build Contract for the completion of 15 new emergency shelter units for families and approval of an increase to the approved capital budget for the Project.

3. BACKGROUND

Region acquires site and agrees to complete family shelter project

Transitional and Supportive Housing Services of York Region (TSHSYR) operates several buildings housing vulnerable residents, at the property located at 18838 Yonge Street in the Town of East Gwillimbury.

The recommendations contained in the private report of the Regional Commissioner of Community Services and Housing dated June 16, 2005 were adopted by Regional

Council on June 23, 2005, approving the expenditure of $2.2 million from the Region's Social Housing Reserve to complete an expansion of the Leeder Place Family Shelter. TSHSYR had started an expansion of the shelter, but was unable to complete it. As part of the overall approach to finalizing the expansion, Council agreed to purchase the property, assign it to Housing York Inc., and have Housing York Inc., in turn, lease the property back to TSHSYR. That process was completed in 2006 and Housing York Inc. now owns the facility.

The June 23, 2005 approvals were based on a proposal to negotiate with a select group of potential vendors to purchase a factory built modular building as it was anticipated that this would allow a cost effective facility to be erected quickly.

A Request for Proposals (RFP) was issued in January, 2007 and only one response was received. Since the Region was unable to confirm the market competitiveness of only one bid received, a second RFP, open to all builders, was authorized by Council on April 19, 2007 through adoption of recommendations contained in the private report of the Community Services and Housing Committee dated April 4, 2007.

Development of this project has been challenging

A number of factors have resulted in delays and associated cost increases for this project:

- The site is serviced with private well and on-site sewage systems necessitating Ministry of Environment approval to expand and improve the sewage treatment to accommodate the new building.

- An amendment to the original Site Plan Approval issued by the Town of East Gwillimbury was required to deal with a change from the agency's original concept to the final concept approved by Council.

- In the fall of 2007, the Town of East Gwillimbury adopted a policy to require all new buildings of more than 6,500 square feet in the town to be certified under the Leadership in Energy and Environmental Design (LEED®) system.

- A request has been submitted to the Town requesting full or partial relief from municipal fees and charges and a response to this request is pending.

Work on the project has been completed already

Despite these challenges, work on the project has been ongoing while these various issues were being resolved, including completion of the sewage system improvements, clearing of the site and preparation of site engineering documents.

Project expenditures incurred to date total $263,000; however, the Region was able to obtain 100% federal homelessness funding of approximately $117,000 for some of these costs.

4. ANALYSIS AND OPTIONS

Request for Proposal P-08-03 received two responses

To ensure that only proponents with the experience and expertise to complete this project would be invited to bid, a two stage RFP process was undertaken by first prequalifying firms, in late 2007, resulting in the selection of four proponents.

The RFP for a Design/Build contractor to complete the Leeder Place project was issued by Supplies and Services on March 6, 2008 to the four prequalified firms. Two proponents responded and the proposals were evaluated against the criteria stipulated in the RFP. The bid price was submitted in a separate sealed envelope and the scoring for price was added after the quality of the proposals was evaluated. The results of the RFP are outlined in Table 1.

Table 1
Results of P-08-03

Proponent Name	Evaluation Score	Bid Price (excluding GST)
Monteith Building Group	85.5	$2,468,870
NRB Inc.	75.5	$2,618,275

The higher scoring of the two proposals comes from Monteith Building Group with a total score of 85.5% and a proposed all-inclusive price on a design/build basis of $2,468,870 plus GST.

Capital budget increase needed to proceed

On June 23, 2005 Council approved a total capital budget of $2.2 million for the new family shelter. This budget was to be entirely funded from the Social Housing Reserve Fund.

There are numerous factors affecting the cost for this building such as:
- Site issues related to private services have proven more complex than originally projected.
- The requirement for LEED® certification is estimated to add approximately $250,000 to project costs.

- The limited number of builders available and interested in this small but challenging project.
- Most significantly, the general increase in construction costs in the three years since the initial budget estimates were established. Statistics Canada reports the Building Construction Index increased by almost 16% since 2005, which on a project like this would have an impact in the range of $250,000.

4.1 OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED

Federal Homelessness Funding

Funding of approximately $117,000 was obtained in 2007 through the Federal Homelessness Program, Supporting Communities Partnership Initiative.

Provincial Housing Funding

On June 21, 2007, through the adoption of Clause No. 3 of Report No. 6, Council approved, in principle, a strategy for using $9.665 million received from the Province’s DOOR initiative.

To date Council has committed only $500,000 of these funds for enhancements to existing social housing projects.

It is proposed that the funding be allocated from the $9.665 million received by the Region. This use would be consistent with the provincial initiatives.

Table 2 provides revised capital budget details and proposed sources of funding.

Table 2
Proposed Project Budget

Estimated Expenses	**Amount**
Design/Build Contract	$2,470,000
Site Work	170,000
Engineering, Legal, Project Management	180,000
Fees & Charges	80,000
Total	**$2,900,000**
Proposed Funding Sources	**Amount**
Social Housing Reserve	$2,200,000
DOOR Funding	583,000
Federal Homelessness Program	117,000
Total	**$2,900,000**

5. FINANCIAL IMPLICATIONS

By allocating funds as described in this report, the Leeder Place Family Shelter expansion can be completed by taking advantage of funding committed by both the federal and provincial governments with no impact on the approved regional contribution or the tax levy.

6. LOCAL MUNICIPAL IMPACT

The requirement for additional emergency shelter units for families in a growing York Region has long been established since the existing four units are inadequate to meet the need. The new beds will benefit all of the Region's municipalities by providing safe, decent emergency help for families in crisis.

7. CONCLUSION

Despite rapidly increasing construction costs and the introduction of significant improvements to the project concept, the proposed strategy described in this report will facilitate completion of the project without requiring further financial commitment from the Region.

For more information on this report, please contact Sylvia Patterson, Director, Housing Services Branch at Ext. 2091.

The Senior Management Group has reviewed this report.