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PROGRESS REPORT SUTTON YOUTH MULTI-SERVICE CENTRE

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, September 10, 2004, from the Commissioner of Community Services and Housing:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize Regional staff to instruct the project architect to prepare working drawings, specifications, and cost estimates, and report back to Council to request approval to tender the project.
2. The Commissioner of Community Services and Housing be authorized to continue to negotiate the terms of an agreement with The Salvation Army to operate the emergency shelter and transitional housing services to be provided at the facility.

2. PURPOSE

This report details the progress made toward developing a multi-service centre for youth, including the results of a call for proposals for an operator of the emergency shelter and transitional housing units to be developed in partnership with the Town of Georgina in Sutton.

In order to proceed with the next steps, the report requests authority to instruct the project architect to prepare construction documents and cost estimates so that a report can be brought to Council requesting direction to proceed.

3. BACKGROUND

Beginning in 2002, discussions were held with officials of the Town of Georgina and a wide range of community agencies about establishing a "multi-service centre" for at-risk youth at a surplus school site located on Dalton Road in Sutton.

In June 2002, Councils for the Town of Georgina and the Region authorized funds for purchasing the site from the York District Catholic School Board. It was agreed that:

- The facility would be owned by the Region but the existing gym and library areas would be operated by the Town for recreation programs for children and youth.
- The classroom area of the school would be renovated by the Region for use as emergency shelter/transitional housing for male and female youth aged 16 to 25 years, and for community agency office space.

- The Town will provide property management services for the entire facility including services such as snowplowing and grass cutting.
- A Memorandum of Understanding has been executed between the Region and Georgina which outlines the basis of the relationship between the partners. This agreement has been reviewed by the Region's Property Services Branch.

In December 2002, Council authorized:

- Purchase of the site at a cost of \$250,000 (\$200,000 to be paid by the Region and \$50,000 to be paid by Georgina).
- Hiring of an architect to develop renovation plans for the school building.
- Staff to seek funding opportunities from other sources to help pay for the cost of the renovations.

In January 2004, authority was given to conduct a two-stage Request for Proposal to identify an operator for the shelter and housing facility to be developed at the site.

4. ANALYSIS AND OPTIONS

4.1 Land Closing and Selection of Shelter Operator

The purchase of the site is expected to take place before year end after some unavoidable delays related to legal issues and flood damage which occurred this past winter.

In February 2004, the Region's Supplies and Services Department issued a Request for Expression of Interest (EOI) in operating the new shelter and housing facility.

The EOI noted that funding for the shelter/housing facility was limited and that the proponents needed to identify resources of their own that could be used to offset operating costs.

Two responses were received from interested agencies however neither provided information about additional resources. When proposed budget details were requested from the respondents, one of the two agencies withdrew and the remaining proponent, The Salvation Army, still failed to identify funding sources outside of the Region. Accordingly, Supplies and Services declared both proposals non-responsive and cancelled the RFP. As permitted by the Purchasing By-law, the Commissioner of Community Services and Housing received the concurrence of the Regional Treasurer to directly negotiate with The Salvation Army who had indicated a willingness to work with the Region to make the project a reality.

Several meetings have been held with Salvation Army staff who have for some time wanted to play a larger role in York Region, particularly in the area of emergency shelter provision where they have considerable expertise and experience.

4.2 Capital Costs

A Request for Proposals for architectural services was issued by Supplies and Services in January 2004 and a contract was issued to L.E. Glazer Architect Ltd. to guide the renovation work needed at a total upset cost of \$53,340.

Based on the preliminary design work completed to date, the architect estimates the renovation cost will be approximately \$1 million. It is necessary to complete working drawings in order to develop more detailed cost estimates to be reported to Council along with the request for authorization to tender the work.

The cost of renovations is expected to be offset by funding from two federal assistance programs. Conditional commitment from Canada Mortgage and Housing Corporation (CMHC) has been given for up to \$160,000 in Residential Rehabilitation Assistance Program (RRAP) funding for up to 10 transitional housing units while preliminary approval has also been obtained for up to \$800,000 of Supporting Communities Partnership Initiative (SCPI) assistance for the emergency shelter and ancillary facility portion of the redevelopment. Architectural and site investigation costs are being expensed to the approved Housing and Residential Services budget for pre-development work.

5. FINANCIAL IMPLICATIONS

The total capital cost for the development of up to 16 emergency shelter beds and up to 10 transitional housing units is estimated at \$1.3 million. Funding sources for these costs have been identified.

Operating revenue has been identified for the facility through emergency shelter per diems, shared on an 80/20 basis with the Province, and market rents for the transitional housing units. Rent-geared-to-income assistance will be available for qualified tenants through the provincially-funded Rent Supplement Program until 2023. There is currently a gap of approximately \$300,000 per year between these revenue sources and the costs to operate the facility. Regional staff and The Salvation Army will work together to identify other funding sources to mitigate this annual operating deficit and report back later in the year.

Both the capital and estimated operating costs of the project are projected in the 2005 Business Plan and Budget.

6. LOCAL MUNICIPAL IMPACT

This project will provide much needed services for homeless and at-risk youth and children in the Town of Georgina. The addition of shelter beds, particularly for females, will benefit the north end of the Region as it will help fill a noticeable void in existing services.

7. CONCLUSION

Both the York Region Community Plan to Address Homelessness and the Housing Supply Strategy recognize the need for services for youth at-risk and the proposed partnership with the Town of Georgina exemplifies the type of funding partnership being sought in the Strategy. This project could be used as a model to deliver similar youth programs in other areas of the Region.

The Senior Management Group has reviewed this report.