

To:	Warden Halliday and Members of Grey County Council
Committee Date:	November 8, 2018
Subject / Report No:	HDR-CW-19-18
Title:	Award of RFP-HOU-17-18 for Affordable Housing Build in Durham
Prepared by:	Anne Marie Shaw, Director of Housing
Reviewed by:	Kim Wingrove, CAO
Lower Tier(s) Affected:	
Status:	Recommendation adopted by the Committee as presented as per Resolution CW265-18; Endorsed by County Council on November 22, 2018 as per Resolution CC110-18.

Recommendation

1. That report HDR-CW-19-18 be received and that Kevin and Jason Tremble be awarded RFP-HOU-17-18 to develop affordable housing on Part of Park Lot 8 North Side of Chester Street West Plan 500 Durham as in GS38555 except R443637; and
2. That Council acknowledges that the sale of Part of Park Lot 8 North Side of Chester Street West Plan 500 Durham as in GS38555 except R443637 to Kevin and Jason Tremble to develop affordable housing is required and staff be directed to move forward with the sale of land as approved by the Chief Administrative Officer and in accordance with Sections 1 and Section 2 of By-law 5029-18, being the Lane Duck; and
3. That the property be sold for the amount necessary to cover the legal costs associated with the transfer of ownership from Grey County to Kevin and Jason Tremble, estimated at \$1,000; and
4. That a grant in lieu of development charges be approved and the \$44,000 required be funded from the One Time Funding Reserve.

Executive Summary

The County issued a request for proposal to develop affordable housing on a County owned lot in Durham that closed on September 27, 2018. One proposal was received. The proposal meets all the requirements for the Investment in Affordable Housing funding and the requirements from

the County for the development of affordable units. The proposal would see 14 one bedroom apartments built with 11 of the units being affordable. It is recommended the County proceed with the award of the RFP-HOU-17-18 and proceed with the sale of land. Staff will work with the proponent to submit information to the Province to receive \$900,000 in funding from the Investment in Affordable Housing Rental Build program.

Background and Discussion

There is a need for affordable housing in Grey County because of the continuing increase in the cost of rents, utilities, and the low vacancy rate. Residents in Grey County with a lower income have a hard time finding affordable housing. Grey County's 10 Year Housing and Homelessness Plan identified a key strategic area of supplying more affordable housing units.

In April 2018 Council directed that a request for proposal be put forth to develop affordable housing on a vacant lot identified as Part of Park Lot 8 North Side of Chester Street West Plan 500 Durham. The request for proposal was released on September 5th, 2018 with a closing date of September 27, 2018. There were a number of inquiries about the lot but only one submission was received. The submission was reviewed by a panel of finance and housing staff and meets the requirements of the RFP as set out by Grey County and the guidelines for the Investment in Affordable Housing Program Rental Build Program.

The evaluative criteria that proposals were scored against are as follows: County Preferences (apartment sizes, units for seniors and persons with disabilities, affordable units etc.), Proponent Qualifications & Partnerships, Project Team Qualifications and finally Energy Efficiency and Accessibility.

The submission received proposes to build a blend of affordable and market units with 14 one bedroom apartments that will be approximately 595 square feet. Eleven of the units will be affordable with rents at \$577 a month including heat, hydro and parking with laundry on site. The proponent provided a capital and operating budget that are satisfactory. Financing details and details on the proposed builder, architect and engineering firm were received and acceptable. The Trembles own and manage seven multi residential and commercial buildings in Durham and Hanover all of which have been a renovation, conversion or build. Their goal for this build is to provide safe, clean and affordable housing for seniors and individuals with physical disabilities on the first floor and the remaining two floors for market rent and affordable rent for singles and couples. One unit will be fully accessible.

The building will be wood frame, flat roof with rubber membrane, all brick exterior. The windows and appliances will be energy star rated and LED lights throughout the building. Heating will be a radiant high efficiency heating with boiler system. The building will be secured with a key card system/ enter phone. The build will start in spring 2019.

As with past participants of the Investment in Affordable Housing Program, Grey County offers a grant in lieu for development funds. County development charges for the eleven affordable one bedroom apartments are \$4,000 a unit for a total of \$44,000. Staff recommends the funding required for the grant in lieu be funded from the one time funding reserve.

Legal and Legislated Requirements

The Investment in Affordable Housing Program recommends that a grant in lieu of development charges be provided for affordable units to assist with the affordability and promotion of affordable housing.

The Trembles will enter into an agreement with Grey County for \$900,000 in IAH Rental Build funding.

The Trembles will be responsible for the land transfer taxes.

Grey County will prepare the transfer/deed of land in registerable format. The Trembles will be responsible for finalizing the transfer of ownership of the land in Durham.

Financial and Resource Implications

\$44,000 in funding from one time funding reserve.

\$900,000 from the Investment in Affordable Housing Program: Rental Builds

It is estimated that the cost of \$1000 for legal fees related to the transfer of land will be sufficient for this property.

Relevant Consultation

Internal: Finance, Purchasing

External:

Appendices and Attachments

None