 Committee Report

| **To**: | Warden Halliday and Members of Grey County Council |
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| **Committee Date:** | September 13, 2018 |
| **Subject / Report No:** | HDR-CW-17-18  |
| **Title:** | Grant in Lieu of Development Charges  |
| **Prepared by:** | Anne Marie Shaw, Director of Housing |
| **Reviewed by:** | Kim Wingrove |
| **Lower Tier(s) Affected:** |  |
| **Status:** | Recommendation adopted by Committee of the Whole as presented per Resolution CW215-18; Endorsed by County Council on September 27, 2018 per Resolution CC90-18. |

## Recommendation

1. **That report HDR-CW-17-18 be received and the affordable housing projects through Community Living Owen Sound and District and Owen Sound Housing Company be approved for a grant in lieu of development charges; and**
2. **That the $52,272 in funding required for the grant in lieu be funded from One Time Funding.**

## Executive Summary

There is a need for affordable housing in Grey County. In 2016, an expression of interest (EOI) was issued to develop affordable housing through the investment in affordable housing program for 2016-2018. Owen Sound Housing Company and Community Living Owen Sound and District were the successful proponents. A grant in lieu of development charges is requested at a cost of $52,272 in total. The grant in lieu would be funded through one time funding.

## 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 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 2016 an expression of interest was released to identify projects for the Investment in Affordable Housing funds for 2016-18.

Owen Sound Community Living and District responded to the expression of interest for affordable housing in 2016. Community Living Owen Sound and District was a successful proponent for funds and approved by council in October 2016.

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 six affordable one bedroom apartments are $4,000 a unit for a total of $24,000. Staff recommends the funding required for the grant in lieu be funded from the one time funding.

Owen Sound Housing Company, another successful proponent of the EOI, has eight more units of affordable housing being built in 2018 at the Odawa Heights location. Six of the units are affordable units and two market units. County development charges for six affordable one bedroom townhomes are $4,712 a unit for a total of $28,272. Staff recommends the funding required for the grant in lieu be funded from one time funding.

### Future Affordable Housing Builds

A report detailing a Community Improvement Plan will be presented to Committee of the Whole this fall. One of the components of the plan will look at incentives for building affordable housing such as development charges and application fees. This plan will detail how future successful applicants of affordable housing programs will receive incentives. Until this plan is presented and approved staff is recommending that the development charges be funded through one time funding to promote and continue the development of much needed affordable housing.

## Legal and Legislated Requirements

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

## Financial and Resource Implications

$52,272 in funding from one time funding

## Relevant Consultation

[x]  Internal: Finance

[ ]  External:

## Appendices and Attachments

None