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Date December 2, 2020 **Report No.** 2020-422

To Chair and Members
Social Services Committee

From Aaron Wallace, Acting General Manager
Community Services and Social Development

1.0 Type of Report

Consent Item [X]
Item For Consideration []

2.0 Topic 2020 Annual Update on Brantford-Brant Municipal Housing Master Plan 2020-2030

3.0 Recommendation

- A. THAT the 2020 Annual Update on Brantford-Brant Municipal Housing Master Plan 2020-422 BE RECEIVED

4.0 Purpose and Overview

The Brantford-Brant Municipal Housing Master Plan Initiative was approved by Council in October 2019. It is a plan to guide the financially sustainable development of municipal housing with a strategic approach that responds to established targets based on population growth, as well as current and future housing needs. This report provides the first annual update of the 10-Year initiative for the year 2020.

5.0 Background

The table below outlines the Brantford-Brant Housing Stability Plan (BBHSP) as the overarching plan, and that the Brantford-Brant Master Housing Plan is one component that supports the BBHSP. The Brantford-Brant Master Housing Plan is the approach to achieving municipally-owned and operated affordable housing targets and will be directed by the Mayors' Housing Partnerships Task Force Final Report. This Final Report will be the subject of a Council report in Quarter 1 2021.

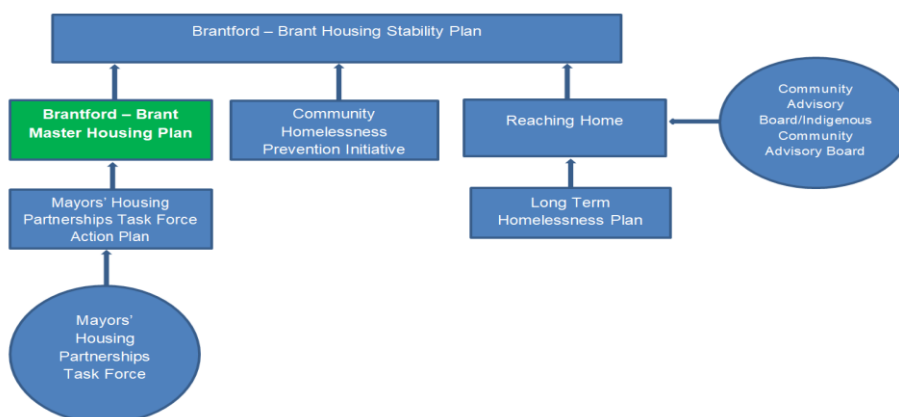


Figure 1 - Brantford-Brant Housing Stability Plan Flow Chart

Typically, new affordable housing development is driven by periodic funding programs made through senior levels of government. This short-term, reactive approach has been successful in creating some new municipally-owned affordable housing options, but it is not the most effective way to plan for a long-term housing program. The Brantford-Brant Municipal Housing Master Plan 2020-2030 is a strategic plan that includes targets for the development of municipally owned and operated housing with the goal of creating a minimum of 506 new affordable housing over the next ten years.

The Brantford-Brant Municipal Housing Master Plan Initiative was a result of two Council reports in 2019: 1) a May 28, 2019 report on Affordable Housing Development Initiatives (Report 2019-148) and 2) an October 2, 2019 five year review and update on the Brantford Brant Housing Stability Plan (Report 2019-575), which both acknowledged the need for a 10-year Master Plan for municipally owned and operated housing.

Some of the Master Plan components have already been addressed in the October 2, 2019 Brantford-Brant Municipal Housing Master Plan Initiative (Report 2019-584) report to Council, such as 1) the development of housing

targets that are tied to growth projections 2) estimated cost projections to support this level of development 3) financing and funding considerations and 4) draft operating *pro formas*.

In regards to housing targets, the 2019 Service Level Standards (SLS) calculations of 27 of current municipally owned and operated housing units per 1,000 households is the baseline (1,476 units and population of 54,380 based on 2016 Census for Brantford CMA). Anticipating an additional 18,750 households by 2031, there would need to be an increase of 506 units to maintain the municipal share at 27 housing units per 1,000 households.

The capital cost of these 506 units was estimated at \$108,535,000, assuming the availability of land, and construction costs ranging from \$160-\$200K per unit. A portion of this cost can be offset by using City-owned land, funding from Housing Reserves, Development Charge Reserves and federal/provincial grants. These sources are expected to generate an estimated \$36,075,096 - leaving an unfunded shortfall of approximately \$72,459,904.

A portion of this shortfall could be covered through debt servicing (up to 50% of construction costs). However, lower debt levels provide the opportunity to increase affordability and/or generate greater surpluses for future development. Currently, the Mayors' Housing Partnerships Task Force Financial Options Team has identified approximately \$55 million through the sale of land/buildings, future tax revenue, cost sharing contributions from Brant County, and reinvestment of housing provider end of mortgage savings (see more detail under Mayors' Housing Partnerships Task Force update below).

The next steps of the Master Plan initiative are to:

1. Complete a comprehensive mapping and assessment of housing needs and future demands;
2. Identify and assess the adequacy of current housing and opportunities;
3. Recommend a framework for prioritizing housing development and regeneration to create a pipeline of projects; and
4. Identify current policy and governance factors that may create opportunities and/or risks that could impact achieving the outcomes proposed by the Master Plan.

On November 19, 2019, Brantford City Council approved the creation of the Mayors' Housing Partnerships Task Force, to develop partnerships with non-

profit, faith-based and private sector stakeholders to accelerate the development of affordable housing, and to develop a 12 month Task Force Action Plan that will be a catalyst for this development. This Action Plan was approved by Council in March 2020, and Project Teams were established to address the various approved deliverables. A Final Report will be brought to Council in Q1 2021.

6.0 Corporate Policy Context

Council Priorities 2019-2020: Housing Continuum – Increase the supply and access to social and affordable housing options for Brantford residents.

7.0 Input From Other Sources

Community Development (Planning Department)

Corporate Services (Finance Department)

8.0 Analysis

The October 2, 2019 five year review and update on the Brantford Brant Housing Stability Plan (Report 2019-575), has provided a comprehensive mapping and assessment of housing needs and future demands, including where current affordable housing is located across the City of Brantford and Brant County, and where likely future demand is by geographic areas.

The Mayors' Housing Partnerships Task Force project teams have completed some of the next steps of the Master Plan initiative.

- 1) The Inventories and Mapping Project Team has initially identified 19 parcels of current municipally-owned land that may be suitable for affordable housing development in the City of Brantford, and another 8 parcels in the County of Brant (see Appendix A – List and Mapping of Municipally-owned Land). These properties range from large size parcels where between 40-100 units could be constructed, to smaller parcels suitable for 10 or less units. The next step is to review each site for planning concerns and develop a priority list of sites that support ongoing projects over the next nine years.

This prioritization is a critical step, as some of these sites may not be deemed suitable and/or appropriate, and it may take several years to address planning, servicing or other issues to get the property “construction ready”.

The Mayors' Housing Partnerships Task Force will be bringing forward recommendations to address the challenge of having suitable, appropriate, and available land for affordable housing development. The municipality must also determine which properties will be retained for City-owned affordable housing, and which parcels will be made available through a fair process to others to develop affordable housing communities.

- 2) The Social Media Campaign launched on August 24, 2020, was to highlight the acute need for more affordable housing. It also encouraged other housing providers, faith groups, and other housing stakeholders, to identify parcels of land suitable for affordable housing development. To date, there are another six (6) parcels that have been identified and mapped through this process.
- 3) The Mentorship Program Team has created a Mentorship Program Survey and Program Description which was sent to housing stakeholders and accessible on the website through the Mayors' Housing Partnerships Task Force webpage. An introduction to housing development presentation was also created for stakeholders that are interested getting involved in housing development projects.
- 4) The Financial Options Team has identified possible cost-sharing estimates of municipal contributions between the City of Branford and the County of Brant, based on a number of methodologies, to make up the \$55 million contribution required. The current methodology based on 50% of population and 50% of location of units results in the City's share at \$45.7 million and the County's share at \$9.3 million.

Description of Funding Source	Est. Proceeds Years 1-5	Est. Proceeds Years 6-10
City Council approved initiatives <ul style="list-style-type: none">• Sale of Arrowdale \$14M• Future tax revenue from Arrowdale \$10M• Sale of admin properties \$7M	21,000,000	10,000,000
Reinvestment of mortgage subsidies	2,800,000	12,200,000
	23,800,000	22,200,000
Total over 10-Year Plan	\$46,000,000	

Figure 2 - Potential Affordable Housing Funding Sources

- 5) The Industry Partners Project Team identified a number of recommendations for ways to incentivize the development of private sector housing that would include affordable homeownership and rental options.
- 6) The Joint Application Project Team was tasked with looking at possibilities for joint applications, and developed some criteria and next steps in preparation for any suitable sites and/or potential funding opportunities.

The Mayors' Housing Partnerships Task Force will result in a final report with a summary of the activities and outcomes of the various Teams, and any recommendations for future actions.

There will be a report in Q1 2021 that will identify current policy and governance factors that may create opportunities and/or risks that could impact achieving the outcomes proposed by the Master Plan.

2020 Achievements and Next Steps

New units completed:

- 30 bachelor units, Marlene Avenue Apartments, supportive housing for those who have experienced chronic homelessness, completed construction May 2020, with tenant occupancy effective June 1, 2020. Capital funding provided through Home for Good provincial funding.

New units underway:

- 4 bachelor units, CASE Home on Stinson Ave and Stirton Ave, Brantford, affordable housing for single/couple non-seniors or senior applicants on the BATH wait list. An RFP was issued in October 2020, and the successful proponent will start site preparations and construction before the 2020 year-end.
- 49 one and two-bedroom units, 170 Trillium Way, Paris for single/couple non-seniors, seniors or small family applicants on the BATH wait list. A feasibility study has been completed, and the project is in early stages of site planning aiming for construction to start by 2021.

There will be ongoing annual reports regarding the Brantford-Brant Municipal Housing Master Plan 10-Year initiative, summarizing the activities and outcomes for each year and the progress in reaching the goal of 506 additional municipally-owned and operating housing units by 2030.

9.0 Financial Implications

There are no Financial Implications directly related to this report.

Each capital building project will go through the usual capital planning process, identifying the capital costs and sources of funding. Future capital funding allocations should be announced by end of 2021, for the next three-year period of funding from senior levels of government through the Canada-Ontario Community Housing Initiative and Ontario Priorities Housing Initiative (COCHI/OPHI). All efforts will be made to apply for special one-time capital grant opportunities.

10.0 Conclusion

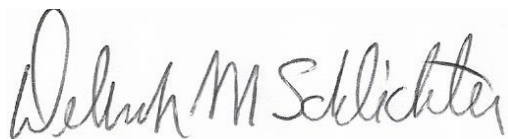
The Brantford-Brant Municipal Housing Master Plan Initiative 2020-2030 provides a strategic road map with a specific target for the development of 506 additional housing units over the next ten years that will be owned and operated by the City of Brantford. The Plan further identifies potentially suitable land already owned by City of Brantford, as well as possible financial sources for capital costs.



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Attachments: Appendix A – List and Mapping of Municipally-owned Land

Copy to: NA

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required ☐ yes ☒ no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk ☐ yes ☒ no

Is the necessary by-law or agreement being sent concurrently to Council? ☐ yes ☒ no