



**City of Kingston
Report to Council
Report Number 21-232**

To: Mayor and Members of Council
From: Lanie Hurdle, Chief Administrative Officer
Resource Staff: Ruth Noordegraaf, Director Housing and Social Services
Date of Meeting: September 7, 2021
Subject: Affordable Housing Contributions – 484 Albert Street and 620 Princess Street, 1752 Bath Road & 1316-1318 Princess Street

Council Strategic Plan Alignment:

Theme: 2. Increase housing affordability

Goal: 2.2 Build a significant number of new residential units with a range of affordability.

Executive Summary:

In 2019, City Council endorsed its strategic priorities which included the development of a minimum of 90 affordable housing units with an investment of \$18M. In the last couple of years, staff have been working diligently to facilitate the development of various affordable housing unit types to meet different needs within the community.

Since the beginning of its term, Council has supported the creation of 180 new affordable housing units (of various types) financed by a combination of federal, provincial and municipal funding. This report provides Council with a recommendation to support an additional 48 affordable housing units, bringing the total to 228 units, and to reallocate funding to already approved projects in order to ensure their financial feasibility. It is important to note that there is a time lag of one (1) to three (3) years between the council approvals and the building occupancy.

This report specifically seeks Council's approval for capital funding allocations and re-allocations that support three (3) projects:

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484 Albert Street & 620 Princess Street – New funding supporting Home Base Housing

Kingston Home Base Non-Profit Housing Inc. is developing a youth supportive, transitional housing project at 484 Albert Street & 620 Princess Street, the former location of the Princess Street United Church. The proposal includes the establishment of the Kingston Youth Services Hub which will provide on-site, youth-oriented social services through the One Roof youth services program and a supportive, transitional housing program comprised of a 48 new residential units facility to be constructed on the property. The housing program will provide supportive and transitional housing for youth aged 16-24.

1752 Bath Road – Revised and reduced funding to ARM Construction Company Ltd.

In January 2020, Council approved an affordable housing capital funding allocation to ARM Construction Company Ltd. in the amount of \$3.4 million to support the development of 28 affordable housing units within a mixed-income apartment building being developed at 1752 Bath Road ([Report Number 20-043](#)). The proposal included a partnership with Ongwanada who provides housing and community support services to people experiencing developmental disabilities. Since Council's approval Ongwanada has withdrawn from the project due to the unavailability of ongoing operating funding to provide the support services. Based on this substantive change to the project, the affordable housing component of the project has been revised and staff have renegotiated the municipal capital funding allocation. The revised affordable housing component of the project continues to include 28 units; however, the depth of affordability is no longer proposed to support individuals on Ontario Disability Support Program (ODSP). Accordingly, the municipal capital funding allocation has been reduced to be consistent with the proposed affordability level.

1316-1318 Princess Street – Defined grant allocation and financial guarantee to Kingston Frontenac Housing Corporation

In September 2020, Council approved a proposal from Kingston Co-Operative Homes Inc. and the Kingston & Frontenac Housing Corporation (KFHC) to develop affordable housing projects at 1316-1318 Princess Street to be comprised of 90 affordable housing units providing a range of affordability levels ([Report Number 20-200](#)). Council's approval included a notional allocation to the project in the amount of \$10 million in capital funding support and a City-owned land contribution with an associated acquisition cost of \$1.4 million, as each organization submitted its own grant application to CMHC co-investment fund. KFHC has received a final co-investment offer from CMHC while Kingston Co-op is still completing required paperwork. This report proposes the proportionate split of the City's previously approved \$10 million funding allocation between the two projects being developed as well as an additional funding allocation, if needed, in order to ensure that the KFHC portion of the project can proceed as quickly as possible.

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Recommendation:

That Council approve an allocation in the amount of \$6,720,000 as described in Report Number 21-232 to Kingston Home Base Non-Profit Housing Inc. to support the development of 48 affordable, supportive youth housing units at 484 Albert Street & 620 Princess Street to be funded using \$4,115,800 from existing affordable housing capital budget envelopes and \$2,604,200 from the Social Services Relief Fund Phase 4; and

That Council approve an allocation in the amount of \$495,000 as described in Report Number 21-232 to Kingston Home Base Non-Profit Housing Inc. to support the renovation costs associated with the relocation of the One Roof youth services program to 484 Albert Street & 620 Princess Street to be funded from the Homelessness Reserve; and

That Council reduce the municipal funding of \$3,400,000 previously allocated to ARM Construction Company Ltd. for 1752 Bath Road from existing affordable housing capital budgets by way of Report Number 20-043 to \$1,400,000 as described in Report Number 21-232 to ARM Construction Company Ltd. to support of the development of 28 affordable housing units at 80% CMHC market rents located at 1752 Bath Road; and

That Council approve the final allocation of \$10.0M previously approved from the Municipal Capital Reserve Fund in Report Number 20-200, to support the development of 90 affordable housing units at 1316-1318 Princess Street as follows: \$4,222,222 to Kingston Co-Operative Homes Inc. and \$5,777,778 to the Kingston & Frontenac Housing Corporation; and

That Council replace funding initially approved from the Municipal Capital Reserve Fund in Report Number 20-200 to support Kingston & Frontenac Housing Corporation in the development of 52 affordable housing units at 1316-1318 Princess Street with the use of \$854,025 of Year 3 Ontario Priorities Housing Initiative funds; and

That Council approve additional funding of up to \$3.03M from the Municipal Capital Reserve Fund, to the Kingston & Frontenac Housing Corporation, if needed, to support the completion of the development of 52 affordable housing units at 1316-1318 Princess Street; and

That Council approve the by-law, attached as Exhibit A to Report Number 21-232, "A By-law to Enter into a Municipal Contribution Agreement with Kingston Home Base Non-Profit Housing Inc. for the Provision of Affordable Housing Units at 484 Albert Street & 620 Princess Street"; and

That Council approve the by-law, attached as Exhibit B to Report Number 21-232, "A By-law to Enter into a Municipal Contribution Agreement with Kingston Co-Operative Homes Inc. for the Provision of Affordable Housing Units at 1316-1318 Princess Street"; and

That Council approve the by-law, attached as Exhibit C to Report Number 21-232, "A By-law to Enter into a Municipal Contribution Agreement with the Kingston & Frontenac Housing Corporation for the Provision of Affordable Housing Units at 1316-1318 Princess Street"; and

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That Council authorize the Chief Administrative Officer or his/her delegate to review and approve all documents and agreements related to the funding allocations outlined in Report Number 21-232; and

That Council authorize the Mayor and Clerk to execute all documents and agreements related to the funding allocations outlined in Report Number 21-232, in a form satisfactory to the Director of Legal Services; and

That Council authorize the Chief Financial Officer & City Treasurer to replace municipal funding sources with grant funding for Council approved affordable housing projects, as necessary, should additional provincial/federal grant funding programs become available.

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Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services

Peter Huigenbos, Commissioner, Business, Environment & Projects Not required

Brad Joyce, Commissioner, Corporate Services Not required

Jim Keech, President & CEO, Utilities Kingston Not required

Desirée Kennedy, Chief Financial Officer & City Treasurer

Sheila Kidd, Commissioner, Transportation & Public Works Not required

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Options/Discussion:

The City staff administers affordable housing capital funding contributions utilizing available municipal and shared provincial/federal funding programs. Staff have been working on maximizing all sources of funding to significantly exceed Council's target of a minimum of 90 affordable units within the term of this council.

This report seeks Council's approval for capital contributions and reallocations related to the following affordable housing projects:

484 Albert Street & 620 Princess Street

Home Base Housing provides a variety of homelessness and supportive housing programs in the community. In September 2019, Home Base Housing acquired 484 Albert Street & 620 Princess Street, the former Princess Street United Church property, for the purposes of creating a youth hub including programming space for youth services and supportive, transitional housing for youth aged 16-24.

The youth services component of the project includes the relocation of the One Roof youth services program from 426 Barrie Street to the new location at 484 Albert Street & 620 Princess Street. The One Roof program opened in 2017 and includes a partnership of over 25 organizations providing a range of services conveniently located at a single location. Home Base Housing has completed the necessary renovations and the One Roof programming is now being offered at the new location.

The supportive, transitional housing component of the project is proposed to include 48-units targeted towards homeless and vulnerably housed youth with rents set at affordable levels. The 48-units will include 44 bachelor units and four one-bedroom units. 20 of the units are proposed to be accessible. To manage project costs and support the transitional component of the housing program, the housing units will be small in size each including a sleeping area, kitchenette, and three-piece bathroom. Shared laundry will be available and the facility will include resident lounges and a variety of programming and amenity spaces. Residents will be referred for housing by Home Base Housing staff and by staff from other agencies. Housing supports will be provided directly by Home Base Housing staff and life skills, education, and employment services will be provided by the One Roof program.

The Youth Services Hub at 484 Albert Street & 620 Princess Street will not include emergency shelter beds as these are not a permitted use under the recently approved zoning by-law amendment for this project.

To comply with CMHC funding criteria, the units must be occupied for a minimum of three months; although no maximum tenure is set at present, Home Base Housing anticipates that tenants will stay for a duration of up to two years as they progress along their housing pathway.

For residents whose primary source of income is social assistance, rents for all 48 units will be set at maximum shelter allowance which is currently \$390 per month for Ontario Works and

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\$497 per month for Ontario Disability Support program recipients. For the bachelor units, these rent levels would equate to 45% and 57%, respectively, of the average market rent for a comparable sized unit in 2021. Home Base Housing is also considering an affordable rent model so that as tenants obtain employment income their rents will rise but will not exceed 30% of a tenant's gross income.

Demand for youth supportive housing is reflected in local homelessness system statistics. In mid-August 2021 there were 39 youth on the By-Name List which is a real-time list of all known people experiencing homelessness in the community. This number is likely a conservative estimate of the number of youth experiencing homelessness as it does not include all youth that may be couch surfing with family or friends.

Home Base Housing is also exploring partnerships with local developmental disability service providers to support clients within the project. It can be difficult for youth/young adults with developmental disabilities to secure appropriate affordable housing that provides in-home supports. The project at 484 Albert Street & 620 Princess Street may provide an opportunity to meet the housing and support needs of individuals experiencing a developmental disability.

Based on current service area statistics Home Base Housing estimates 14 residents will be Indigenous community members. Home Base Housing has secured funding for Indigenous cultural services to support program development and to provide services to Indigenous residents.

Home Base Housing has experience working with homeless and vulnerably housed youth through the operation of the One Roof program as well as through the operation of transitional and permanent housing at Rise@149, a housing project with 21 units dedicated to youth. Home Base Housing also operates a variety of other supportive housing units in addition to the In From the Cold Emergency Shelter, Kingston's primary adult shelter.

The combination of the One Roof program and the 48-unit supportive, transitional housing facility at 484 Albert Street & 620 Princess Street will create the Kingston Youth Services Hub. Other proposed features of the hub include a youth cultural centre, skills development kitchen, fitness room, program and administrative spaces, secure bicycle storage for residents, and a publicly accessible parkette (at the corner of Princess and Albert Streets). A subsequent phase of development includes a proposed social enterprise comprised of a job skills training café fronting onto Princess Street. The job skills training café is not budgeted for at this time and will be the subject of a future fundraising initiative.

The goal of the supportive, transitional housing program is to provide housing with supports to vulnerable, at-risk youth who may be experiencing homelessness or are living in precarious housing situations. Based on Home Base Housing's experience housing and supporting youth, it is anticipated residents will have lived experience with mental health challenges, addictions, or trauma. When residents move into the supportive housing program, they will be assigned a caseworker who will create a housing stabilization plan and work with the new resident to establish attainable goals. Youth residents will engage with their caseworker on a weekly basis

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and residents will be expected to advance their skills working towards independence. In addition to the skills development program, an in-house community worker will run various programs to build a sense of community within the building through cultural and social events. Residents will also be able to easily access skills development and social programming provided through the One Roof program. Opportunities for introductory employment will be provided including cleaning of common areas, recycling program management, and participation in the meal program.

Given the function of the building, the construction standard goes beyond regular residential construction to ensure safety, durability, and operating cost efficiency. It should be noted that the special features associated with the project add an appreciable cost to the total capital cost of the project. In this regard the capital cost of the project is not comparable to a standard residential building of a similar size. Special features of the project that are not typical of regular residential construction include:

- Personalized fob access that controls access to different areas of the building including individual units.
- Security camera system covering all common interior and exterior areas of the building.
- 24/7 security staffing with the entrance requiring dedicated space in the lobby area.
- Common lounges on each residential floor.
- Shared laundry facilities on each residential floor.
- 35% of units will meet accessibility criteria which is above the Ontario Building Code's 20% requirement.
- The fire safety system will include a sprinkler system.
- A commercial kitchen will service the meal program and provide training opportunities.
- Communal cafeteria.
- Fitness room.
- Residential units will have wet washrooms which are designed so that water can be on any surface with a central drain to prevent flooding and damage to other units.
- Hardened bathroom fixtures that are unbreakable.
- Built-in beds and storage that will withstand wear and tear as well as damage.
- Walls designed with damage resistant drywall and 12" stud spacing.
- Damage and control free heat and air conditioning ceiling mounted units as wall units can easily be vandalized or tampered with becoming a safety hazard.
- Access to breakers, water shut off, etc. for each unit will be securely paneled outside of the unit for safety.
- No drop ceilings that can be used for storing contraband.
- Ligature free design to reduce potential for self-harm.
- Classrooms to deliver programming.
- Staff office space.

Home Base Housing has obtained a capital cost estimate from a professional building cost consultant. The estimated capital cost of the project is \$23.73 million. Although this is a substantial investment, the project cannot be compared to a typical affordable housing project

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cost given the extensive programming spaces in the project and special construction materials and fixtures to ensure operational safety and durability. The capital budget includes various components including an existing contribution of \$2.23 million from the Province of Ontario's Home for Good Program ([Report Number 20-096](#)), approximately \$3.0 million from fundraising/donations, as well as contributions from the Ontario Trillium Foundation and accessibility funding. A previous contribution from the United Way helped to support the relocation of the One Roof program to this new location.

Since Home Base Housing acquired the property, the organization has achieved Official Plan and zoning by-law amendments and heritage approval to develop a six-storey building that will preserve key heritage features of the site associated with the former Princess Street United Church building. Site Plan Control approval is currently underway which will be followed by building permit application submission and review. In summer and fall of 2021, Home Base Housing will begin to ready the site for construction of the residential building.

By way of this report, staff is recommending a municipal capital contribution in the amount of \$6.72 million to support the project. The City's investment of \$6.72 million in this initiative equates to \$140,000 per unit, which is comparable to recent capital contributions or investments established by the City. The \$6.72 million is to be comprised of \$4,115,800 from existing affordable housing capital budget envelopes and \$2,604,200 from the Social Services Relief Fund Phase 4. The allocation from the Social Services Relief Fund Phase 4 is subject to review and approval by the Ministry of Municipal Affairs and Housing.

Over the long-term, the City's investment will be secured through a Municipal Contribution Agreement registered on title for the full 50-year affordability term. This term aligns with the \$2.23 million from the Province of Ontario's Home for Good Program. The balance of the capital budget is intended to be obtained through a project application to the National Housing Strategy's Rapid Housing Initiative program which is currently in its second round. If Home Base Housing is not successful in their application for Rapid Housing Initiative project funding, staff anticipate that Home Base Housing will apply for CMHC funding through the National Co-Investment Program.

Financial participation by the City in this capital project is supported by work completed as part of the 2019 review and update of the 10-Year Municipal Housing and Homelessness Plan for the City of Kingston and County of Frontenac (the 10-Year Plan). The updating of the 10-Year Plan included data analysis and consultation processes that highlighted the insufficient supply in the community of supportive and transitional housing for youth. The updated 10-Year Plan provides direction to support youth homelessness initiatives including the development of the youth services hub model.

In addition to the \$6.72 million recommended for the housing components of the project, staff is recommending a capital investment of \$495,000 funded from the Homelessness Reserve towards the non-residential, One Roof facility which is already completed and located on the same property.

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1752 Bath Road

In January 2020, Council approved an affordable housing capital funding allocation to ARM Construction Company Ltd. to support the development of 28 affordable one-bedroom units within a mixed-income apartment building being developed at 1752 Bath Road ([Report Number 20-043](#)). The proposal included a partnership with Ongwanada which provides housing and community support services to people experiencing developmental disabilities.

The 28 units were to be comprised of 20 units dedicated to Ongwanada to house developmental disability clientele. Rents for the 20 units were to be established at 60% of the CMHC average market rent which is within the means of Ontario Disability Support Program (ODSP) participants. The affordability period for the 20 Ongwanada units was to be 25 years. A contribution of \$150,000 per unit was allocated for a total of \$3 million.

The balance of the 28 funded units were to include eight (8) regular affordable housing units with rents established at 80% of the CMHC average market rent. The affordability period for the eight affordable housing units was to be 20 years. A contribution of \$50,000 per unit was allocated for a total of \$400,000.

Since Council's approval of the affordable housing capital contribution totalling \$3.4 million, the project has progressed slower than initially anticipated, partially due to the impact of the COVID-19 pandemic, and Ongwanada has withdrawn from the project due to the unavailability of ongoing operating funding to provide the support services.

Based on this substantive change to the project, the affordable housing component of the project has been revised and staff have renegotiated the municipal capital funding allocation. The revised affordable housing component of the project includes 28 one-bedroom units with rents initially established at 80% of the CMHC average market rent for a 20-year period in exchange for \$50,000 per unit, or a total of \$1.4 million. It is anticipated that residents of the 28 affordable housing units will include low- to moderate-income working households or households on a fixed income that can support the monthly rent.

The difference between the initial January 2020 allocation of \$3.4 million and the revised allocation of \$1.4 million, which was funded existing affordable housing capital budget envelopes, will help to offset the capital funding requirements associated with the allocation to the project at 484 Albert Street & 620 Princess Street as outlined in this report.

1316-1318 Princess Street

In September 2020, Council approved a proposal from Kingston Co-Op and Kingston & Frontenac Housing Corporation (KFHC) to develop affordable housing projects at 1316-1318 Princess Street to be comprised of 90 affordable housing units providing a range of affordability levels from RGI units to 80% CMHC average market rent ([Report Number 20-200](#)). Council's approval included a notional allocation to the overall project in the amount of \$10 million in capital funding and a City-owned land contribution with an associated acquisition cost of \$1.4 million.

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Since this time KFHC and Kingston Co-Op have obtained the necessary zoning by-law amendment approvals to support the development of a 92-unit building (KFHC) and a 38-unit building (Kingston Co-Op). The approved zoning also allows for a third building to be constructed as a second, later phase of development.

The phase one development of the site will include a total of 130 units of which 90 will be non-market rent (i.e. below-market rent and rent-geared-to-income housing). The affordability mix includes 40 units at 60% CMHC average market rent, 40 units at 80% CMHC average market rent, and 10 rent-geared-to-income housing units. The phase one component of the project will also include 40 market rent units.

Staff have been working with Kingston Co-Op and KFHC to review project budgets and advance the CMHC Co-Investment Fund application process. To support the affordable housing components of the project, the \$10 million notional capital funding allocation is recommended to be split between Kingston Co-Op and KFHC proportionate to the number of affordable housing units contained in each project. Accordingly, the recommended funding contributions include an allocation of \$4,222,222 to Kingston Co-Op and \$5,777,778 to Kingston & Frontenac Housing Corporation. This funding split was utilized in each application to the CMHC co-investment fund. Originally approved to come from the Municipal Capital Reserve Fund, total funding of \$10.0M will now be made up of \$9,145,975 coming from the Municipal Capital Reserve Fund and \$854,025 coming from Year 3 Ontario Priorities Housing Initiative (OPHI) funds. [Report Number 20-200](#) had noted that staff would look to other affordable housing capital funding programs at the provincial level to offset the municipal contribution requirement.

CMHC has completed a review of the KFHC co-investment fund application and has provided KFHC with a final funding offer which includes a forgivable loan and a repayable loan. It is important to note that the KFHC project cost did increase from \$19.2M (as presented in Report 20-200) to \$24.9M due to refined estimates as well as higher construction costs due to COVID-19. This increase in project cost also includes a 13% contingency which is equivalent to approximately \$3.24M. In order to make the project viable, KFHC had requested a contribution of \$19,086,646 from the CMHC co-investment fund. This total was to be split with \$12,945,547 to be provided in the form of a low interest loan and \$6,141,099 in the form of a forgivable loan. CMHC's offer includes \$15,570,264 in the form of a repayable loan and \$3,114,053 in the form of a forgivable loan for a total of \$18,684,317.

There is a financial gap of about \$402,000 between the total amount requested by KFHC and the amount offered by CMHC. Furthermore, KFHC has notified the City and CMHC that the maximum repayable loan that it can take on this project is \$12,945,547. The difference between the repayable loan offered by CMHC and the maximum amount for KFHC is approximately \$2.63M. This means that there is a gap of about \$3.03M between the KFHC required funding and the CMHC offer.

City staff recognize that the financial gap is in the same range as the contingency that has been built within the project, which is best practice. In order to ensure that this project can proceed while minimizing the additional contribution from the City, staff are recommending that the City

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approves additional funding of up to \$3.03M, if needed, from the Municipal Capital Reserve Fund.

It should be noted that CMHC has not yet received all required documentation from the Kingston Co-Op in order to finalize an offer for the 38 affordable housing units.

Overview of Affordable Housing Units and Financing Approved since 2019

The table below provides a breakdown of all units endorsed by City Council since 2019, including the units recommended in this report. It also includes a breakdown of the funding for each project.

Supportive Housing	Municipal Funding	Federal/Provincial Funding (SIF, OPHI, SSRF)	Total
113 Lower Union – 19 units	\$1,680,370 (Municipal Capital Reserve Funds) \$51,737 (Development Charges Reserve Funds)	\$500,225 (SIF) \$477,065 (OPHI)	\$2,709,397
805 Ridley Street – 35 units	\$143,275 (Municipal Capital Reserve Funds) \$660,000 (Social Housing Capital Reserve Fund)	\$1,630,000 (SSRF Phase 2)	\$2,433,275
484 Albert Street & 620 Princess Street – 48 units	\$4,115,800 (Municipal Capital Reserve Funds) \$495K (Homelessness Reserve) This report recommends \$495K of Homelessness Reserve funds)	\$2,604,200 (SSRF Phase 4) This report recommends \$2,604,200 of SSRF Phase 4 funding)	\$7,215,000

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Independent Housing	Municipal Funding	Federal/Provincial Funding (SIF, OPHI, SSRF)	Total
1316-1318 Princess Street – 90 units	\$14,105,975 (Municipal Capital Reserve Funds) This report recommends additional funding of up to \$3.03M for KFHC, if needed.	\$854,025 (Year 3 OPHI) This report recommends \$854,025 Year 3 OPHI funding replacing a portion of Municipal Capital Reserve Funds.	\$14,960,000
1728 Bath Road – 28 units	\$1.4M (Municipal Capital Reserve Funds) This report recommends a reduction in funding from \$3.4M to \$1.4M.	\$0	\$1,400,000
McCauley Street – 8 units	\$661,000 (Social Housing Capital Reserve Fund)	\$0	\$661,000
Total – 228 units (102 supportive units & 126 independent units)	\$23,313,157	\$6,065,515	\$29,378,672

Staff continue to pursue grant funding opportunities for investment in affordable housing. In some cases, grant programs may provide the opportunity to switch out previously approved municipal funds for grant funding, thereby freeing up municipal funds for other projects. This report recommends providing delegated authority to the Chief Financial Officer & City Treasurer to replace municipal funding allocations with grant funding for Council approved affordable housing projects, as necessary, should additional provincial/federal grant funding programs become available.

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Existing Policy/By-Law:

10-Year Municipal Housing and Homelessness Plan

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

Staff have reviewed and confirmed budget availability for the financial recommendations of this report. The proposed funding includes contributions from the following sources:

484 Albert Street & 620 Princess Street

The total estimated contribution to Kingston Home Base Non-Profit Housing Inc. to support the development of 48 affordable, supportive youth housing units at 484 Albert Street & 620 Princess Street is \$6,720,000. This is proposed to be funded using \$4,115,800 of Municipal Capital Reserve Funds and \$2,604,200 from the Social Services Relief Fund Phase 4. This includes a reallocation of \$2M of previously approved Municipal Capital Reserves Funds from the 1752 Bath Road project and \$2,115,800 of from existing affordable housing capital budget envelopes.

The City received notification that it is being awarded \$2,604,200 through Provincial Social Services Relief Fund Phase 4 which can be allocated to operating and capital/property expenditures including the construction of affordable housing units. Staff are recommending that these funds be directed to Kingston Home Base Non-Profit Housing Inc. to support the development of 48 affordable, supportive youth housing units at 484 Albert Street & 620 Princess Street. The allocation from the Social Services Relief Fund Phase 4 is subject to review and approval by the Ministry of Municipal Affairs and Housing.

City staff are recommending an allocation in the amount of \$495,000 to Kingston Home Base Non-Profit Housing Inc. to support the renovation costs associated with the relocation of the One Roof youth services program to 484 Albert Street & 620 Princess Street to be funded from the Homelessness Reserve. This reserve has a current balance of approximately \$1.18M.

1316-1318 Princess Street

Staff are recommending that \$854,025 of Year 3 Ontario Priorities Housing Initiative (OPHI) funding be allocated towards the 1316-1318 Princess Street project to offset the municipal contribution requirement and maximize the use of provincial funding. This would decrease the previously approved municipal contribution from \$11,930,000 to \$11,075,975.

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Staff are also recommending funding of up to \$3.03M from the Municipal Capital Reserve Fund, to the Kingston & Frontenac Housing Corporation, if needed, to support the completion of the development of 52 affordable housing units at 1316-1318 Princess Street This would increase the total municipal contribution from \$11,075,975 to \$14,105,975.

Contacts:

Ruth Noordegraaf, Director, Housing and Social Services 613-546-4291 extension 4916

Other City of Kingston Staff Consulted:

Scarlet Eyles, Manager Financial Services

Melanie Bale, Financial Analyst

Jenna Morley, Director, Legal Services & City Solicitor

Tim Park, Director, Planning Services

Bruce Davis, Project Manager, Housing and Homelessness

Mitchell Grange, Manager, Housing and Homelessness

John Henderson, Housing Programs Administrator

Exhibits Attached:

Exhibit A - A By-law to Enter into a Municipal Contribution Agreement with Kingston Home Base Non-Profit Housing Corporation for the Provision of Affordable Housing Units at 484 Albert Street & 620 Princess Street

Exhibit B - A By-law to Enter into a Municipal Contribution Agreement with Kingston Co-Operative Homes Inc. for the Provision of Affordable Housing Units at 1316-1318 Princess Street

Exhibit C - A By-law to Enter into a Municipal Contribution Agreement with Kingston & Frontenac Housing Corporation for the Provision of Affordable Housing Units at 1316-1318 Princess Street

By-Law Number 2021-XX

**A By-Law to Enter into a Municipal Contribution Agreement
with Kingston Home Base Non-Profit Housing Inc. for the Provision of Affordable
Housing Units at 484 Albert Street & 620 Princess Street**

Passed: Meeting date, 2021

Whereas The Corporation of the City of Kingston has passed a Municipal Housing Facilities By-Law in accordance with subsection 7(2) of Ontario Regulation 603/06; and

Whereas the municipality has determined that all the housing units to be provided as part of the municipal capital facilities fall within the definition of “affordable housing” contained in the Municipal Housing Facilities By-Law;

Therefore Be It Resolved That the Council of The Corporation of the City of Kingston hereby enacts as follows:

1. That Council enter into a Municipal Contribution Agreement with Kingston Home Base Non-Profit Housing Inc. for the provision of forty-eight (48) Affordable Housing Units at 484 Albert Street & 620 Princess Street;
2. That Council authorize the Mayor and City Clerk to execute the required agreements in a form satisfactory to the Director of Legal Services;
3. This By-Law shall come into force and take effect on the date of its passing.

Given First and Second Readings Month XX, 2021

Given Third Reading and Passed Month XX, 2021

John Bolognone
City Clerk

Bryan Paterson
Mayor

By-Law Number 2021-XX

**A By-Law to Enter into a Municipal Contribution Agreement
with Kingston Co-Operative Homes Inc. for the Provision of Affordable
Housing Units at 1316-1318 Princess Street**

Passed: Meeting date, 2021

Whereas The Corporation of the City of Kingston has passed a Municipal Housing Facilities By-Law in accordance with subsection 7(2) of Ontario Regulation 603/06; and

Whereas the municipality has determined that all the housing units to be provided as part of the municipal capital facilities fall within the definition of “affordable housing” contained in the Municipal Housing Facilities By-Law;

Therefore Be It Resolved That the Council of The Corporation of the City of Kingston hereby enacts as follows:

1. That Council enter into a Municipal Contribution Agreement with Kingston Co-Operative Homes Inc. for the provision of thirty-eight (38) Affordable Housing Units at 1316-1318 Princess Street;
2. That Council authorize the Mayor and City Clerk to execute the required agreements in a form satisfactory to the Director of Legal Services;
3. This By-Law shall come into force and take effect on the date of its passing.

Given First and Second Readings Month XX, 2021

Given Third Reading and Passed Month XX, 2021

John Bolognone
City Clerk

Bryan Paterson
Mayor

By-Law Number 2021-XX

**A By-Law to Enter into a Municipal Contribution Agreement
with Kingston & Frontenac Housing Corporation for the Provision of Affordable
Housing Units at 1316-1318 Princess Street**

Passed: Meeting date, 2021

Whereas The Corporation of the City of Kingston has passed a Municipal Housing Facilities By-Law in accordance with subsection 7(2) of Ontario Regulation 603/06; and

Whereas the municipality has determined that all the housing units to be provided as part of the municipal capital facilities fall within the definition of “affordable housing” contained in the Municipal Housing Facilities By-Law;

Therefore Be It Resolved That the Council of The Corporation of the City of Kingston hereby enacts as follows:

1. That Council enter into a Municipal Contribution Agreement with Kingston & Frontenac Housing Corporation for the provision of fifty-two (52) Affordable Housing Units at 1316-1318 Princess Street;
2. That Council authorize the Mayor and City Clerk to execute the required agreements in a form satisfactory to the Director of Legal Services;
3. This By-Law shall come into force and take effect on the date of its passing.

Given First and Second Readings Month XX, 2021

Given Third Reading and Passed Month XX, 2021

John Bolognone
City Clerk

Bryan Paterson
Mayor