

**Municipality Of Chatham-Kent**

**Community Human Services**

**Housing Services**

**To:** Mayor and Members of Council

**From:** Shelley Wilkins, (Hon) BPA  
Director, Housing Services

**Date:** December 20, 2018

**Subject:** Municipal Capital Facilities By-law for Affordable Housing Project at  
45 Michener Road, Chatham

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**Recommendations:**

It is recommended:

1. That By-law No. 128-2018, passed on October 1, 2018 be repealed and replaced.
2. That a By-law (attached as Appendix 1) to authorize entering into an agreement for the provision of Municipal Capital Facilities for Affordable Housing by 1967177 Ontario Limited in the Municipality of Chatham-Kent at 45 Michener Road, Chatham be approved.

**Background**

At the October 1, 2018 Council meeting, Council received and approved the latter four of five recommendations contained in the Director, Housing Services report titled Results of Request for Proposal # R18-233 Developing Affordable Housing. Recommendations 2a, b, c, and d were in connection with the RFP submission of 1967177 Ontario Limited for the property at 25 Michener Road. Recommendations 2a and 2b were in connection with the proposed funding of the project, recommendation 2c was to authorize the Mayor and Municipal Clerk to execute the required Municipal Contribution Agreement, and recommendation 2d gave approval to the requisite Municipal Capital Facilities By-law (No. 128-2018).

**Comments**

At the November 19<sup>th</sup>, 2018 Council meeting, Council approved the recommendations contained in the Director, Housing Services report titled Results of Request for Proposal #R18-233 Developing Affordable Housing, Option 2. Recommendations 2a and 2b altered the amounts of funding to come from the different funding programs (Investment

in Affordable Housing Extension/IAHE; Social Infrastructure Fund – Investment in Affordable Housing/SIF-IAH; and Municipal Affordable Housing funding). Recommendation 2c confirmed recommendations 2c and 2d of the original October 1<sup>st</sup>, 2018 report. However, the funding sources and amounts quoted in By-law No. 128-2018 need to be corrected. As well, the Proponent advised that the site was incorrectly identified as 25 Michener Road; the correct location is 45 Michener Road, Chatham. This address correction is being made to all affected Contribution Agreement documents, Ministry of Municipal Affairs and Housing (Government of Ontario System – GOS) reporting software, as well as the attached proposed by-law.

Conditional Letters of Commitment from the Ministry of Municipal Affairs and Housing have now been received, with the funding as recommended and approved at the November 19<sup>th</sup>, 2018 Council meeting. Letters with the corrected address have been requested, but not yet received.

### **Areas of Strategic Focus and Critical Success Factors**

The recommendations in this report support the following areas of strategic focus:

- ECONOMIC PROSPERITY:**  
Chatham-Kent is an innovative and thriving community with a diversified economy
- A HEALTHY AND SAFE COMMUNITY:**  
Chatham-Kent is a healthy and safe community with sustainable population growth
- PEOPLE AND CULTURE:**  
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- ENVIRONMENTAL SUSTAINABILITY:**  
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- FINANCIAL SUSTAINABILITY:**  
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- OPEN, TRANSPARENT AND EFFECTIVE GOVERNANCE:**  
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

### **Consultation**

The Manager, Legal Services was consulted with respect to ensuring the accuracy of the Municipal Capital Facilities By-law and the need to repeal and replace By-law No. 128-2018.

### **Financial Implications**

The funding contributions approved at the November 19<sup>th</sup>, 2018 Council meeting include:

IAHE – Phase 1 – 10 units	\$ 946,223
SIF-IAH – Phase 2 – 2 units	\$ 248,625
Municipal Affordable Housing	<u>\$ 125,152</u>
<b>Total</b>	<b>\$1,320,000</b>

The estimated annual property tax savings, for the reduction from multi-residential tax rate to the single family residential tax rate is \$5,245. This figure is provided by the Proponent in the Project Proposal Submission and is included in the Project Information Form (PIF) report filed with the Ministry of Municipal Affairs and Housing.

Prepared by:

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Shelley Wilkins, (Hon) BPA  
Director, Housing Services

Reviewed by:

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April Rietdyk, RN, BScN, MHS, PHD PUBH  
General Manager  
Community Human Services

Consulted and confirmed the content of the consultation section of the report by:

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Dave Taylor, Manager, Legal Services  
Community Development

Attachment: Draft By-law to authorize the entering into agreement for the provision of Municipal Capital Facilities for Affordable Housing by 1967177 Ontario Limited in the Municipality of Chatham-Kent.

C: Tim Zavitz, President, 1967177 Ontario Limited

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BY-LAW NUMBER [REDACTED]-2019  
OF  
THE MUNICIPALITY OF CHATHAM-KENT

A By-law to repeal and replace By-law No. 128-2018 and to authorize the entering into agreement for the provision of Municipal Capital Facilities for Affordable Housing by 1967177 Ontario Limited, at 45 Michener Road, Chatham, within the Municipality of Chatham-Kent

WHEREAS subsection 110(1) of the *Municipal Act*, S.O. 2001, c. 25, as amended, provides that the council of a municipality may enter into agreements for the provision of municipal capital facilities with any person;

AND WHEREAS paragraph 18 of section 2 of Ontario Regulation 603/06, as amended, prescribes municipal housing projects as eligible municipal capital facilities;

AND WHEREAS section 2 of By-law No. 44-2007 of the Municipality of Chatham-Kent permits the Municipality to enter into municipal housing project facilities agreements with housing service providers;

AND WHEREAS by Resolution dated October 1, 2018 and re-confirmed on November 19, 2018, the Council of the Municipality recommended a municipal affordable housing project at **45 Michener Road**, Chatham, to be called 45 Michener Road, proposed by 1967177 Ontario Limited for approval by the Ministry of Municipal Affairs and Housing under the 2014 Investment in Affordable Housing Extension (IAHE) program, Rental Housing component and the 2016 Social Infrastructure Fund – Investment in Affordable Housing (SIF-IAH);

AND WHEREAS by Resolution dated April 13, 2015 the Council of the Municipality approved submitting a Program Delivery and Fiscal Plan under the 2014 IAHE program to the Ministry of Municipal Affairs and Housing for funding approval, which includes funding the development of an affordable housing project for up to \$1,875,000 in funding for a minimum of 15 affordable units;

AND WHEREAS by Resolution dated October 16, 2017 the Council of the Municipality approved submitting a Program Delivery and Fiscal Plan under the 2016 SIF-IAH Year 3 program to the Ministry of Housing for funding approval, which includes funding the development of an affordable housing project for up to \$548,625 in funding;

AND WHEREAS on November 28, 2018 the Ministry of Municipal Affairs Housing approved the 1967177 Ontario Limited affordable housing project for \$946,223 in IAHE funding and \$248,625 in SIF-IAH funding for the creation of 10 IAHE and 2 SIF-IAH affordable housing units under the 2014 IAHE and 2016 SIF-IAH program;

AND WHEREAS Council is desirous of entering into agreements for the provision of municipal capital facilities with 1967177 Ontario Limited for its property located at 45 Michener Road, Chatham in Chatham-Kent, Ontario to be utilized as a municipal affordable housing project;

NOW THEREFORE, the Municipality of Chatham-Kent hereby ENACTS as follows:

1. By-law No. 128-2018 passed October 1, 2018 is hereby repealed and replaced.
2. The Municipality of Chatham-Kent is authorized to administer and enter into agreement(s) under section 110(1) of the *Municipal Act* with 1967177 Ontario Limited concerning its property located at 45 Michener Road, Chatham for the provision of a municipal capital facility, namely a municipal affordable housing project consisting of 12 affordable rental units (one-bedroom units). Such agreements may provide for an annual grant to offset the difference between the multi-residential property tax rate and the single family residential property tax rate for the duration of the affordable housing contribution agreement.

By-law read a first, second and third time and finally passed in the Council Chamber at the Municipality of Chatham-Kent this [REDACTED] day of January 2019.

ORIGINAL SIGNED BY:

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MAYOR – Darrin Canniff

ORIGINAL SIGNED BY:

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CLERK - Judy Smith