

**Municipality Of Chatham-Kent**  
**Community Human Services**  
**Housing Services**

**To:** Mayor and Members of Council

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

**Date:** February 5, 2020

**Subject:** Municipal Capital Facilities By-law for Affordable Housing Project at  
48 Fifth St. S., First Floor, Chatham

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**Recommendation:**

It is recommended that:

1. A By-law to authorize entering into an agreement for the provision of Municipal Capital Facilities for Affordable Housing by N2 Energy Solutions Inc. in the Municipality of Chatham-Kent at 48 Fifth Street South (First Floor), Chatham be approved.

**Background**

At the October 21, 2019 regular session of Council, Council received and approved the recommendations from the Director, Housing Services, to endorse the Request For Proposal (RFP) submission of N2 Energy Solutions Inc. to convert unfinished vacant commercial first floor building space into 8 one bedroom affordable rental units (including one modified unit). Council endorsed its application for \$358,297 in Ministry of Municipal Affairs and Housing (MMAH) funding and approved a municipal funding allocation of \$416,703 from the Social Housing Operations Reserve subject to MMAH approval of the Investment in Affordable Housing Extension (IAHE) Year 6 funding request.

**Comments**

Under a letter dated December 5, 2019, the Director, Housing Services received MMAH's Conditional Letter of Commitment (CLC) for the N2 Energy Solutions Inc. affordable housing project at 48 Fifth St. S. (First Floor), Chatham. The subject By-law is a Service Manager requirement for participating in the program. The draft By-law is attached as Appendix 1.

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

The recommendation in this report supports 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 recommendation in this report supports 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**

No consultation was required for the preparation of this report.

**Financial Implications**

The funding contributions approved at the October 21, 2019 Council meeting include:

IAHE– 8 units	\$ 358,297
Municipal Affordable Housing	<u>\$ 416,703</u>
<b>Total</b>	<b>\$ 775,000</b>

The estimated annual property tax savings, for the reduction from multi-residential tax rate to the single-family residential tax rate is \$6,763. This figure is provided by the Proponent in the Project Proposal Submission and is included in the Project Information Form (PIF) report filed with MMAH.

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

Attachment: Draft By-law to authorize the entering into agreement for the provision of Municipal Capital Facilities for Affordable Housing by N2 Energy Solutions Inc. in the Municipality of Chatham-Kent.

c. Nasr Nasr, President/Owner, N2 Energy Solutions Inc.,

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BY-LAW NUMBER \_\_-2020  
OF  
THE MUNICIPALITY OF CHATHAM-KENT

**A By-law to authorize the entering into agreement for the provision of Municipal Capital Facilities for Affordable Housing by N2 Energy Solutions Incorporated in the Municipality of Chatham-Kent**

WHEREAS subsection 110(1) of the *Municipal Act, 2001*, 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 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 June 24, 2019 the Council of the Municipality approved submitting a revised Program Delivery and Fiscal Plan under the **2014 Investment in Affordable Housing Extension (IAHE) program** to the Ministry of Housing for funding approval, which includes funding the development of an affordable housing project for up to \$358,297 in funding for a minimum of three affordable units;

AND WHEREAS by Resolution dated October 21, 2019 the Council of the Municipality recommended a municipal affordable housing project on the first floor at 48 Fifth Street South, Chatham, proposed by N2 Energy Solutions Incorporated for approval by the Ministry of Housing under the 2014 IAHE Year 6 program, Rental Housing component and approved providing an additional \$416,703 in municipal affordable housing funding subject to the project receiving provincial funding approval;

AND WHEREAS on December 5, 2019, the Ministry of Housing conditionally approved the N2 Energy Solutions Incorporated project for \$358,297 in funding for the creation of 8 affordable housing units under the IAHE Year 6 program;

AND WHEREAS Council is desirous of entering into agreements for the provision of municipal capital facilities with N2 Energy Solutions Incorporated for its property located on the first floor at 48 Fifth Street South, 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. The Mayor and Municipal Clerk are authorized to administer and enter into agreement(s) under section 110(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25 with N2 Energy Solutions Incorporated concerning its property located on the first floor at 48 Fifth Street South, Chatham for the provision of a municipal capital facility, namely a municipal affordable housing project consisting of 8 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.

2. This By-law will come into force immediately upon passing.

By-law read a first, second and third time and finally passed in the Council Chamber at the Municipality of Chatham-Kent this <sup>th</sup> day of \_\_\_\_\_, 2020.

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MAYOR – Darrin Canniff

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CLERK - Judy Smith