

Township of Southgate

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Staff Report CAO2022-068

Title of Report: New Medical Centre Affordable Housing Project Option
Report Update

Department: Administration

Council Date: September 21, 2022

Council Recommendation:

Be it resolved that Council receive staff report CAO2022-068 as information; and

That Council in the next term consider this as a possible future proposal, if space is available for consideration of constructing Affordable Housing units in the new Dundalk South-East Grey Community Health Centre building; and

That the next term of Council consider this as an Affordable Housing Project for the South Grey Housing Corporation to take on the responsibility of advancing this as a Southgate project.

Background:

The Southgate Affordable Attainable Housing Advisory Committee started discussions about residential housing options in Southgate. One of the options that came to light was the addition of one floor in the new Dundalk South-East Grey Community Health Centre dedicated to affordable housing. Allan Madden created a draft funding model and plan that would create 10 units of residential apartments at a size of 650 square feet per unit.

The Affordable Housing project for 10 units as dedicated floor space in the new Medical Centre is much needed as a project in Dundalk. What was proposed in this report is the Township could fund the project until such time as the Affordable Attainable Housing Committee can complete the work to establish a Mortgage and Housing Corporation that would then have proper entity to fund and manage these types of long-term residential projects.

Project concerns is it would tie up Southgate borrowing capacity until the local Mortgage and Housing Corporation could be established to take over the project. Further this is not an operating space the Township of Southgate has staff or expertise in developing, managing or maintaining housing units.

At the April 6th, 2022 Council meeting staff report CAO2022-015 titled "Southgate Affordable Housing Proposal" was presented to Council and the following resolution was approved by a recorded vote:

Moved By Councillor Sherson; **Seconded By** Councillor Frew;

Be it resolved that Council receive staff report CAO2022- 015 as information; and

That Council discuss this proposal and direct staff on how we should proceed with the consideration of constructing 10 Affordable Housing units as an additional floor in the new Dundalk South-East Grey Community Health Centre building as a dedicated space for 10 units of affordable residential space; and

That Council direct staff to look into financing the Affordable Housing Project through Infrastructure Ontario to fund the cost until the Affordable Attainable Housing Committee is able to develop plans for a Local Mortgage and Housing Corporation can be established to take over the responsibility of the loan and the project.

Yay (6): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Frew, and Councillor Shipston

Nay (1): Councillor Rice

Carried (6 to 1) No. 2022-211

Staff Comments:

Staff explored ways to develop this opportunity to create 10 affordable housing units as part of the new SEGCHC Dundalk build. We have had discussions with South-East Grey Support Services (SEGSS) and they do not want to take this project on with the other work and planning they have underway. The timing is not right to coordinate, research funding support and bring this project together with SEGCHC Dundalk Medical Clinic building planning and Ministry of Health approval process that we don't want to impede in any way.

Staff recommend that the next term of Council consider constructing an Affordable Housing project in the new Dundalk South-East Grey Community Health Centre building if space is available and also advance this as a project for the South Grey Housing Corporation if formed, to take on the responsibility of advancing this as a Southgate initiative.

Financial Impact or Long Term Implications

There is no financial impact as a result of this report at this point in time.

It is staff's opinion that the Township of Southgate does not have the financial capacity at this time and our future capital investment flexibility would be impaired. The project is projected to cost \$3.5 million dollar capital investment in 2022 dollars and about \$60,000.00 in annual operating funds to maintain this affordable housing project.

Communications & Community Action Plan Impact:

This report has been written and presented to Council to communicate accurate information to the public.

Goal 3 - Promoting Health Services and Housing Choices

Action 3:

The residents and businesses of Southgate envision a caring community which meets the needs of all ages and incomes for a healthy and comfortable life, even as our population grows and changes.

Strategic Initiatives 3-A (2019-2023):

By means of appropriate policies, incentives and development partners, the Township will facilitate a significant increase in the supply and variety of both rental and purchase housing/accommodation within Southgate.

Concluding Comments

1. That Council receive this report as information.

Respectfully Submitted,

CAO approval: Original Signed By Dave Milliner – CAO
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