



Report
Staff Report
The Corporation of the City of Brampton
4/10/2024

Date: 2024-03-27

Subject: **Recommendation Report: Response to Request for Funding Support from Home Opportunities Non-Profit Corporation**

Contact: Steve Ganesh, Commissioner
Planning, Building & Growth Management

Nash Damer, Treasurer
Corporate Support Services

Report number: Planning, Bld & Growth Mgt-2024-262

RECOMMENDATIONS:

1. That the report from Melinda Yogendran, Principal Planner/Supervisor, Integrated City Planning to the Committee of Council Meeting of April 10, 2024 re: **Recommendation Report: Response to Request for Funding Support from Home Opportunities Non-Profit Corporation**, be received;
2. That Council approve the renaming of capital project #247932-001 from 'Housing Project – Non-Profit Pilot Program Expansion' to 'Home Opportunities';
3. That a budget amendment be approved for capital project #247932-001 in the amount of \$14,000,000, with funding to be transferred from the Housing Accelerator Fund which will result in a total available budget of \$18,000,000;
4. That Council delegate authority to the Commissioner, Planning, Building & Growth Management and Treasurer to execute on behalf of the City the amended contribution agreement with Home Opportunities Non-Profit Corporation on such terms and conditions acceptable to the Commissioner, Planning, Building & Growth Management, and in a form acceptable to the City Solicitor or designate; and
5. That Council endorse in principle financial assistance in the form of a cash grant of \$18,000,000 to Home Opportunities Non-Profit Corporation, subject to the negotiation and execution of mutually acceptable agreement(s) with the City.

OVERVIEW:

- **Home Opportunities Non-Profit Corporation is a non-profit organization developing an affordable housing project in Brampton located at 10124 Mississauga Road. The City has already committed to providing \$1,000,000 in funding support to Home Opportunities through the Housing Catalyst Capital Project.**
- **On November 14, 2023 the Commissioner of Planning, Building & Growth Management received a written request from Home Opportunities for additional funding support (Attachment 2).**
- **On August 10, 2022, Council approved a report outlining the ‘Protocol for Evaluation of Incentives to Non-Profit Affordable Housing and Long-Term Care Projects’. Staff review requests for funding on a case-by-case basis using this Council-endorsed Protocol.**
- **Finance and Planning staff reviewed the information to determine that the Home Opportunities projects meets the criteria to receive funding from the City.**
- **Should the recommendations in this report be approved, a budget amendment will be required for capital project #247932-001 in the amount of \$14,000,000, with funding to be transferred from the Housing Accelerator Fund. The total funding granted to Home Opportunities is proposed at a total of \$19,000,000 which includes \$1,000,000 previously approved.**
- **Should Council decide to provide Home Opportunities with the additional financial support, staff recommend that the \$18,000,000 be funded through the Housing Accelerator Fund.**

BACKGROUND:**Home Opportunities**

Home Opportunities is a non-profit organization focused on delivering home ownership options for low and middle-income households. Through Brampton’s Housing Catalyst Capital Project, the City has committed to providing \$1,000,000 in funding support for Home Opportunities’ affordable housing project located at 10124 Mississauga Road. Following Council’s approval of the \$1,000,000 grant funding, additional requests to the City have been made by Home Opportunities.

At the Planning and Development Committee meeting of September 11 2023, the committee received a report from Planning, Building & Growth Management and

Corporate Support Services titled *'Request for Funding Support from Home Opportunities Non-Profit Corporation'* (Attachment 1). This report responded to four requests from Home Opportunities, including requests for expedited approvals, deferred planning application fees, deferred building permit fees, and support in securing a loan from Infrastructure Ontario. The Committee then referred the matter back to staff for further investigation, including exploring opportunities for the City to support Home Opportunities in securing a loan from Infrastructure Ontario (RM 59/23). However, following the PDC meeting in September 2023, Home Opportunities secured a letter of support from an alternative credit union interested in participating as a financing partner, rendering it no longer necessary for Home Opportunities to secure a loan from Infrastructure Ontario.

Subsequently, on November 14, 2023 the Commissioner of Planning, Building & Growth Management received a written request from Home Opportunities for additional City funding to support the construction of their affordable housing project (Attachment 2).

CURRENT SITUATION:

Finance and Planning staff evaluated Home Opportunities request for financial support based on the Council endorsed Protocol and the information provided by Home Opportunities, which identified the following key elements:

- Depth of Affordability – The housing project will provide homeownership opportunities for households in or below the 6th income decile in the City of Brampton. In total, 75% of the owners in the development will have incomes below \$80,000/year.
- Length of Affordability – The Home Opportunities model maintains affordability in perpetuity.
- Proximity to Amenities – The project site is close to transit and essential community services including a public library and a school.
- Community Benefits Beyond Affordable Housing – The project will be net zero and is aiming for passive house standards. In addition, over 20% of the units will be fully accessible.

The following table lists the criteria used for evaluation of the funding request, and confirmation from City staff indicating the evaluation of each item.

	EVALUATION CRITERIA	CONFIRMATION
1.	Non-profit status	<input checked="" type="checkbox"/>
2.	Experience developing and operating affordable housing	<input checked="" type="checkbox"/>
3.	Project characteristics	

	<ul style="list-style-type: none"> i. Project size ii. Length of affordability iii. Locational attributes (transit, walkable services/retail, etc.) iv. Does the project meet the needs of the community (depth of affordability, seniors housing, suite mix/unit size, accessibility, energy efficiency as determined by Housing Brampton, the Official Plan, and Secondary Plans)? 	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
4.	Project/construction timeline	<input checked="" type="checkbox"/>
5.	Other sources of funding received	<input checked="" type="checkbox"/>
6.	Full capital and operating budget/proforma to help the City determine: <ul style="list-style-type: none"> i. Is the project viable? ii. How does the requested subsidy stack with other sources of funding? iii. Is the requested subsidy necessary for the project to advance? 	<input checked="" type="checkbox"/>

Finance and Planning staff have reviewed the information to determine that the Home Opportunities project meets the criteria under the Council endorsed Protocol to receive funding from the City.

As previously mentioned in this report, the City has already committed to providing Home Opportunities with \$1,000,000 in funding through the Housing Catalyst Capital Project. The Housing Catalyst Capital Project Contribution Agreement between the City of Brampton and Home Opportunities has been finalized, with key milestones identified in the Agreement for disbursement of the \$1,000,000 grant funding. Should Council decide to provide Home Opportunities with an additional \$18,000,000 in funding, staff recommend that the existing Contribution Agreement be amended to include the additional funding and any necessary additional milestones. In addition, as a financial and risk mitigation plan, staff recommend that as a requirement in the amended Contribution Agreement, all project funding needed from third-parties be secured by Home Opportunities prior to the distribution of any City funds.

CORPORATE IMPLICATIONS:

Financial Implications:

Should the recommendations in this report be approved, a budget amendment will be required for capital project #247932-001 in the amount of \$14,000,000, with funding to be transferred from the Housing Accelerator Fund.

The project currently has funding of \$4,000,000 which would increase the total to \$18,000,000, subject to Council approval. The total funding granted to Home Opportunities is proposed at a total of \$19,000,000 which includes \$1,000,000 previously approved:

	Amount	Funding Source
Project #217932-001 – Housing Catalyst	\$1,000,000	Community Investment Fund
Project #247932-001 – Home Opportunities	\$4,000,000	Housing Accelerator Fund
Project# 247932-001 – Budget Amendment	\$14,000,000	Housing Accelerator Fund
TOTAL BUDGET	\$19,000,000	

There is a sufficient funding in the Housing Accelerator Fund to proceed.

Legal Implications:

Legal Services will review and approve as to form the agreement to amend the existing Contribution Agreement with Home Opportunities Non-Profit Corporation.

Other Implications:

There are no other implications resulting from the adoption of the recommendations in this report.

STRATEGIC FOCUS AREA:

This report directly aligns with the strategic focus area “Growing Urban Centres & Neighbourhoods” as the recommendations in this report will support the delivery of affordable housing supply, creating complete communities and improving livability and prosperity in Brampton. This report also directly aligns with the strategic focus area “Government & Leadership” by proposing effective management of municipal resources.

CONCLUSION:

The City of Brampton is committed to providing supports to non-profit organizations that provide affordable and transitional housing. This report reviews the request received from Home Opportunities and recommends potential funding sources to support their funding shortfall in order to deliver a valuable affordable housing project in Brampton.

Authored by:

Reviewed by:

Melinda Yogendran, RPP MCIP
Principal Planner/Supervisor
Integrated City Planning

Nash Damer, Treasurer

Approved by:

Approved by:

Steve Ganesh, RPP MCIP
Commissioner
Planning, Building & Growth
Management

Marlon Kallideen
Chief Administrative Officer

Attachments:

- Attachment 1 – Recommendation Report_Request for Funding Support from Home Opportunities Non-Profit Corporation
- Attachment 2 – Home Opportunities Letter to City Commissioner