

Municipality of Chatham-Kent

Chief Administrative Office

Municipal Housing Development

To: Mayor and Members of Council
From: Ray Harper, CPA, CMA, PMP
Director, Municipal Housing Development
Date: July 15, 2024
Subject: 2024 Building Faster Fund

Recommendations

It is recommended that:

1. Administration be authorized to use the \$440,000 received from the 2024 Building Faster Fund for capital expenses related to the Transitional Cabin project.
2. The Mayor and Clerk be authorized to execute the Ontario Transfer Payment Agreement with the Ministry of Municipal Affairs and Housing (MMAH) for receipt of funding in the 2024 Building Faster Fund, subject to the review and satisfaction of the Director, Legal Services, and the Chief Financial Officer be authorized to approve any necessary investment plans or reports required by the Ministry.

Background

On June 24, 2024, Administration received an email from the Ministry of Municipal Affairs and Housing (MMAH) regarding the 2024 Building Faster Fund (BFF) program year for performance achieved between January 1 and December 31, 2023. Due to the Municipality of Chatham-Kent exceeding the 80% threshold for 2023, the Municipality is eligible for \$440,000 in total funding in the 2024 BFF program year. The Building Faster Fund is a provincially funded program designed to reward municipalities that build homes based on performance towards provincially assigned housing targets.

At its April 8, 2024, meeting Council approved the recommendations detailed in the [Transitional Cabin Program Location](#) report. Administration was approved to pursue the development of the Transitional Cabin Program on Municipality of Chatham-Kent owned 378, 390 & 392 Park Street, Chatham properties (the site). Administration was also approved to begin pre-site development work at the site including drawings and site servicing up to \$500,000, which will be added to the debenture costs of the capital build and paid as part of operations over a recommended period.

Comments

Funding from the BFF is intended to support further growth in housing supply, particularly through housing-enabling infrastructure (e.g., site servicing, roads, and public utilities) and other expenses. Funding is intended to balance flexibility with financial accountability, ensuring that recipient municipalities are able to invest in local priorities that support further growth in housing supply, particularly housing-enabling infrastructure and other expenditures that support community growth.

Recipient municipalities are required to submit a BFF Investment Plan through the Transfer Payment Ontario (TPON) system for MMAH approval. Investment Plans are required to identify each activity/initiative to be undertaken with BFF funding, as well as associated expenditures planned for the program year. Proposed activities/initiatives and associated expenditures are required to align with eligible expenditure categories. Investment Plans are to be approved/authorized by municipal Council or a delegated authority prior to the July 19, 2024, submission deadline.

In reviewing the BFF program guidelines and the housing needs of the community, Administration has determined the best use of the \$440,000 BFF funding would be toward the approved Transitional Cabin project. The use of the BFF funding toward the Transitional Cabin project meets MMAH program guidelines and will reduce the project’s final cost financing requirements.

Council Term Priorities

This report supports the following Council Term Priorities:

			
Deliver Excellent Service	Promote Safety & Well-Being	Grow Our Community	Ensure Environmental Sustainability
		1.a-d	

Consultation

The Chief Administrative Officer, General Manager, Health and Human Services, General Manager, CFO/Treasurer and Director, Housing Services - Operations were consulted to discuss the options and strategies for the use of the BFF funding towards Chatham-Kent’s housing initiatives.

The Director, Legal Services has reviewed the contents of this report and supports the recommendations of this report.

Communication

A "[Let's Talk](#)" page has been launched providing further information to the public on the Housing and Homelessness Crisis and what the Municipality is doing to respond. Additionally, this site will be used to provide the community regular updates as well as an opportunity to submit questions.

Housing Services has contacted the neighbours on Hyslop Street and those adjacent to the site on Park Street to offer an in-person meeting to discuss the program operations and hear suggestions on the neighbourhood may best be supported.

Administration will return to Council to recommend the successful proponent for the RFP and to provide updates.

Diversity, Equity, Inclusion and Justice (DEIJ)

Chatham-Kent is growing and exceeding targets for market housing. Market housing makes up most of the housing in Chatham-Kent; yet lower income community members cannot afford it and have few or no other options to access.

Both the governments of Canada and Ontario have deemed housing a human right; however, funding for this right has not been adequate. The municipality will continue to seek opportunities to increase emergency, supportive and deeply affordable housing options for our low-income residents.

Marginalized groups including racialized groups, people with mental health or substance use disabilities are over-represented in shelters and encampments in Chatham-Kent and staff seek to provide safe, affordable shelter and housing for those who need it. Health and Human Services staff adhere to a "Housing First" approach as stable housing is key to improving health and wellness.

The growth of the housing market must include growth in the emergency, supportive and deeply affordable housing options if Chatham-Kent wishes to stand for human rights and diversity, equity, inclusion, and justice. More people with lived experience will be included in public awareness campaigns and the planning of these projects going forward as part of the department's DEIJ work.

Financial Implications

The \$440,000 BFF funding is recommended to be spent on capital expenses of the Transitional Cabins project. Use of the BFF funding will reduce the property tax funding requirements and result in a reduction to the annual debt servicing cost. The total operational costs will be determined after the RFP has concluded and brought to Council for approval and will be included in the 2025 Budget update.

The 2024-2027 Multi-Year Budget included BFF revenues of \$325,000 annually beginning in 2025, therefore the entire \$440,000 for 2024 is available for the Transitional Cabins project.

Administration will continue to work on upper-level grants and funding opportunities to reduce the base budget and reserve financing requirements of this project.

Prepared by:

Ray Harper, CPA, CMA, PMP, Director, Municipal Housing Development

Reviewed by:

Michael Duben, BA, LLB, Chief Administrative Officer

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

Gord Quinton, MBA, CPA, CGA, Chief Financial Officer/Treasurer
Jodi Guilmette, General Manager, Health and Human Services
Dave Taylor, Director, Legal Services
Josh Myers, Director, Housing Services – Operations

Attachment:

Appendix 1. 2024 BFF Allocation Letter