



**16 MULTI-YEAR
BUDGET FOR THE
19 CITY OF LONDON
2016 • 2019**
INVESTING IN OUR FUTURE



2016 – 2019 CITY OF LONDON STRATEGIC MULTI-YEAR BUDGET

ADDITIONAL INVESTMENTS BUSINESS CASE #21

STRATEGIC AREA OF FOCUS:	GROWING OUR ECONOMY
SUB-PRIORITY:	URBAN REGENERATION
STRATEGY:	CREATE NEW PARTNERSHIPS TO BUILD, AND SUPPORT THE BUILDING OF, NEW AFFORDABLE HOUSING
INITIATIVE:	REGENERATING PUBLIC HOUSING PLAN
INITIATIVE LEAD(S):	SANDRA DATARS BERE
SERVICE(S):	AFFORDABLE HOUSING
TOTAL 2016 – 2019 INVESTMENT REQUESTED (\$000'S):	\$750
TOTAL 2016 – 2019 NET BUDGET REQUESTED (\$000'S):	\$750

WHAT IS INCLUDED IN THE BASE BUDGET?

There is currently no base budget allocated to the implementation of this initiative.

WHAT INVESTMENT IS REQUIRED FROM PROPERTY TAX?

TAX LEVY IMPACT (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Net Requested Tax Levy <small>(Cumulative)</small>	0	0	250	500	750	5,750
Net Incremental Tax Levy	0	0	250	250		
Annual Tax Levy Impact	0.0%	0.0%	0.05%	0.04%		

INITIATIVE DELIVERABLES

The 2018 funding request will be utilized to develop a detailed strategic plan that will define the process for regeneration/re-development of LMHC properties, inclusive of funding and partnership strategies, tenant impact and engagement strategies. The initial focus of regeneration activities will be on the re-development of aging townhouse complexes.

The 2019 funding request will provide for the necessary assessments, land valuations and other costs to initiate the regeneration process and will be the basis for future capital development. Strategic partnerships will also be explored to support the planned regeneration activities.

Subsequent to the completion of the strategic plan and associated assessments and valuations, regeneration activities at the identified sites will be commenced. The amounts projected for 2020 to 2025 are estimates based on currently known information. These estimates will be refined based on completion of the strategic plan and the specific target sites identified. Any operating costs associated with additional units of housing would be addressed within the pro forma budgets and rental revenues associated with the project as per normal practice with affordable housing developments.

CUMULATIVE CAPITAL BUDGET (\$'000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Expenditure	0	0	250	500	750	5,750
Source of Funding:						
Debt						
Reserve Fund						
Other						
Capital Levy	0	0	250	500	750	5,750

METRICS (CUMULATIVE CHANGES)	2017	2018	2019	2020-2025
Completion of a comprehensive plan for regeneration of LMHC properties including financial strategies, tenant engagement & support plans		1		
Initial Site(s) - Regeneration Plans			3-5 sites identified**	10 sites**
Increased number of affordable and market rate housing units through revised site plans			Increase affordable and market units by 10% over current social housing units at each site	Increase affordable and market units by 10% over current social housing units at each site

****NOTE:** Regeneration activities at individual sites will occur over an extended period of time and will vary depending on the nature and extent of the re-development at each site. Therefore, it is not possible to estimate the number of projects completed each year at this time. The comprehensive plan will provide further clarity on the potential duration and staging of projects.

WHAT ARE THE RISKS OF NOT PROCEEDING?

There are numerous risks associated with not proceeding with this initiative.

	Risks Include:
1	Not accessing value in existing stock to advance new affordable development and regeneration of old social housing units
2	Not achieving new affordable unit potential in affordable housing development
3	Not increasing value, diversity of stock, and asset potential on existing public (and other social housing) properties
4	Not supporting End of Operating Agreement strategies for social housing, which may result in increased longer term contributions to outdated sites
5	Fewer affordable units for persons in need
6	Viability of certain housing projects cannot be sustained and will deteriorate with impacts on their surrounding communities
7	Higher subsidy and upkeep costs by the City for housing sites with no increase in units or capacity

OTHER INFORMATION TO REFER TO

Housing Development Corporation - Council Approval and Business Plan - Sept. 2014 (HDC as Developer for Public and Social Housing Regeneration)
<https://www.london.ca/residents/Housing/Housing-Programs/Pages/ProposedHousingDevelopmentCorporationInitiative.aspx>

End of Operating Agreement - Reports of the Service Manager – Feb. 2015 (End of Operating Agreement strategies based on investments and leveraging of assets to create more units) – Agenda Item #11
<http://sire.london.ca/mtgviewer.aspx?meetid=837&doctype=AGENDA>

Homeless Prevention and Housing Plan (2010-2014) - Dec. 2012 (End of Operating Agreements and Public Housing Regeneration)
<https://www.london.ca/residents/Housing/Housing-Management/Pages/HomelessPreventionandHousingPlan.aspx>