



**Subject:** Community Improvement Plan Application and Funding Request – United Way Oxford

**Report Number:** EDM 23-06

Department: Economic Development Department

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Tuesday, April 11, 2023

## **RECOMMENDATION**

THAT report EDM 23-06 Community Improvement Plan Application and Funding Request – United Way Oxford be received; and

THAT United Way Oxford be approved for the Accessibility Renovation Grant in matching funds to a maximum contribution of \$3,000; the Strategic Level of the Tax Increment Equivalent Grant Back Program and the Permit Fee Grant Back Program as offered by the Town’s Community Improvement Plan if applicable; and

THAT the request for an additional grant of \$15,000 be referred to the 2024 budget deliberations.

## **BACKGROUND**

United Way Oxford has purchased a house in the Town of Tillsonburg and is in the process of renovating it to enable the creation of a Transition House for up to seven people. The goal of transitional housing is to provide support and a stable housing environment to help those experiencing homelessness or unstable and precarious housing arrangements “transition” to a more secure housing arrangement. In addition to accommodations, this project will also provide supportive services to help individuals work towards a better future for themselves.

United Way is making a capital investment of \$725,000 to \$775,000 to purchase, renovate and furnish the house. In addition to this, they have committed to covering all of the annual operating costs and program funding to the Oxford County Community

Health Centre to provide the services needed. The net annual operating costs is anticipated to be approximately \$115,000 to \$125,000.

United Way Oxford is using some of their reserve funds along with a significant mortgage for the property. They have also noted that they have been overwhelmed by the response of Tillsonburg citizens and businesses alike who, being very aware of the growing number of individuals experiencing homelessness, have stepped forward with donations of materials and goods, financial contributions and in-kind support. Based on the United Way's significant financial commitment and their contribution towards helping to solve Tillsonburg's precarious housing issues, they are making an application for funding under the Town's Community Improvement Plan.

## **DISCUSSION**

The housing market across Canada (and indeed much of the world) has been dramatically impacted by a large number of shocks including impacts related to the pandemic, interest rates, demand (need), etc. Since 2020, high housing costs have resulted in more people living in high mortgage, precarious and homeless situations.

In response, Town Council created the Affordable/Attainable Housing Committee in May 2021. Since then the Committee has been meeting to investigate and develop opportunities to meet the various housing needs in the community including an Emergency Shelter, Transitional Housing and Attainable housing projects (e.g. Habitat for Humanity housing).

United Way Oxford have been planning and working diligently to address the community's need for Transitional Housing and have now purchased a property in Tillsonburg that will help to meet the needs of Tillsonburg residents. From the beginning, their Board of Directors has been focused on meeting the needs of our community by helping to fill a gap in the housing service continuum. Through collaboration, strong relationships and partnerships they are hoping to make a positive and lasting impact in a relatively quick timeframe.

United Way's application is for the Accessibility Renovation Grant, the Tax Increment Equivalent Grant Back Program and the Permit Fee Grant Back Program. In addition to this, they have also submitted correspondence (see attached) with a request for \$15,000 in additional grant funding.

The intent of the Accessibility Renovation Grant is to provide funds to assist with improvements to improve the overall accessibility. Grants can be used for the following types of projects:

- Power assist door operators
- Renovation of building entrances
- Upgrading of doors
- Installation of ramps
- Installation of elevating devices
- Renovations to create accessible washrooms

This grant would be rebated at 50% of applicable costs up to a maximum of \$3,000. At this time, it is not known if the house will have any accessibility features added to it so this program would only be applicable if it did.

The Tax Increment Grant Back Program offers rebates of the Town's portion of the property tax bill, related to enhancements of the property over and above the initial or base assessment of the property. While there is an opportunity for the property to be tax exempt, United Way is requesting support from the Town in case that is not possible. If supported at the Strategic Level, the following growth related rebates would be offered:

Years 1 to 6 - 100% rebate of the incremental tax increase

Year 7 - 80% rebate

Year 8 - 60% rebate

Year 9 - 40% rebate

Year 10 - 20% rebate

with full property taxes being payable in year 11 (2033).

At this time, it appears that the property may be tax exempt once occupied due to the Charitable nature of the use and its support for disadvantaged persons so this rebate would only apply if the property is not tax exempt.

United Way has also requested a 100% rebate of the building permit fees. While the program typically only offers a 50% rebate, the Development Commissioner is supportive of a 100% rebate due to the unique nature of this request and the high investment to grant request ratio.

In reviewing this application, the Development Commissioner believes that this project will address a significant gap in the local housing continuum at a very low cost to the Town and is thereby supportive of the request.

However, the Town may not be in a position to support this application at this time as support for housing outside of the Central Area is not currently part of the Town's approved Community Improvement Plan. That being said, on November 14, 2022

Town Council approved in principle revisions to the Community Improvement Plan as detailed in Report EDM 22-24 Community Improvement Plan Update. Following Council's direction to proceed, staff have been working to finalize some additional changes requested by the Finance Department and are also reviewing in conjunction with the County of Oxford's recently revised Community Improvement Plan, following which it will be circulating to the Ministry of Municipal Affairs and Housing shortly with the final plan to be brought back to Council for approval.

Once the updated Community Improvement Plan is approved, including provisions to support Affordable/Attainable Housing projects, then this request could be brought back to Council for consideration.

### **CONSULTATION**

The Community Improvement Plan was developed through extensive consultation and input from the Economic Development Advisory Committee and the community. The current plan is currently being revised to support various social housing projects as approved in principle by Council at their November 14, 2022 meeting. The updated program has been reviewed by the Finance Department and is being compared to the just approved County of Oxford Community Improvement Plan prior to being circulated to the Ontario Ministry of Municipal Affairs and Housing and then be brought back to Council for final approval.

The Affordable/Attainable Housing Committee reviewed the Community Improvement Plan Application and supporting information at their March 29, 2023 meeting and passed the following resolution in support of the request:

THAT the Affordable and Attainable Housing Advisory Committee supports the Community Improvement Plan application submitted by United Way Oxford.

United Way's application has also been reviewed by the Building, Planning and Bylaw Department and the Revenue Manager and their comments regarding tax exempt status and applicability of the various programs have been incorporated into this report.

### **FINANCIAL IMPACT/FUNDING SOURCE**

The 2023 Economic Development & Marketing budget contains \$20,000 in funding for applications made under the Community Improvement Plan. The proposed Accessibility Grant Rebate of up to \$3,000 along with the \$15,000 grant and building permit rebate would come close to exhausting this budget amount, which means that, were Council to approve funding for this project right away and should additional applications be received. Council may have to consider additional funding to support future applications to this program.

## CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

**Goal** – Within the community, Tillsonburg will strive to offer residents the amenities, services and attractions they require to enjoy balanced lifestyles

**Strategic Direction** – Work with Oxford County and community partners to ensure an adequate supply of affordable, attainable housing options

**Priority Project** – *Immediate* Term - Affordable housing collaboration with Oxford County

**Goal** – The Town of Tillsonburg will accommodate and support sustainable growth

**Strategic Direction** – Continue to offer relevant, leading incentives for revitalization and diversification in the downtown and throughout Tillsonburg

**Priority Project** – Attainable housing plan

## ATTACHMENTS

Letter – United Way Request to Council

Application – Community Improvement Plan – United Way Oxford