



# WATERLOO REGION HOUSING MASTER PLAN (2020 – 2040)

Our vision is...vibrant, people-centered  
affordable housing communities that  
contribute to quality of life, belonging  
and realizing potential.

November 2019

## *Acknowledgements*

On February 22, 2017 Waterloo Regional Council directed staff to develop a 20-Year Master Plan for Waterloo Region Housing and approved the proposed process and timeline (Report CSD-HOU-17-04).

This is to acknowledge and thank those who contributed to this process, specifically the following individuals:

The Project Sponsor was responsible for approving the WRH Master Plan Project Charter and background reports:

- Douglas Bartholomew-Saunders, Commissioner, Community Services

The Project Manager was responsible for project coordination and progress oversight:

- Mina Fayez-Bahgat, Manager WRH, Housing Services

The Project Management Team was responsible for the consultant selection process, working with the consultant team throughout the process, including planning/preparing the Steering Committee meetings:

- Mina Fayez-Bahgat, Manager WRH, Housing Services
- Lynn Bestari, Social Planning Associate
- Jeff Schumacher, Supervisor, Housing Services
- Victoria Gignac, Principal Planner, Housing Services
- Ellen McGaghey, Director, Facilities & Fleet Management
- Richard Schafer, Manager, Project Management, Facilities Management
- Brad Pick, Senior Project Manager, Facilities Management
- Shauna Calder, Manager, Finance
- Alba Michelucci, Financial Analyst, Treasury Services

A Steering Committee was created to help guide this process. The current members are:

- Mina Fayez-Bahgat, Manager WRH, Housing Services (Steering Committee Chair)
- Geoff Lorentz, Regional Councillor (Kitchener)
- Elizabeth Clarke, Regional Councillor (Kitchener) & Chair of Community Services Committee
- Dave Jaworski, Regional Councillor (Waterloo)
- Karl Kiefer, Regional Councillor (Cambridge)
- Joe Nowak, Regional Councillor (Wellesley)

- Debra Arnold, Director, Legal Services
- Ellen McGaghey, Director, Facilities & Fleet Management
- Michelle Sergi, Director, Planning Services
- Matthew Chandy, Manager, Economic Development
- Richard Schafer, Manager, Project Management, Facilities
- Jeff Schumacher, Supervisor, Housing Programs and Development
- Brad Pick, Senior Project Manager, Facilities Large-Capital
- Lynn Bestari, Social Planning Associate
- Tara Bedard, Local Immigration Partnership
- Victoria Gignac, Principal Planner, Housing Programs and Development

A Corporate Advisory Committee was also created to provide advice throughout the process:

- Mike Murray, CAO
- Douglas Bartholomew-Saunders, Commissioner, Community Services
- Craig Dyer, Commissioner/CFO, Corporate Services
- Rod Regier, Commissioner, Planning, Development & Legislative Services

In May 2017, the Project Team initiated a request for proposals process to secure the services of a professional consultant team to help carry out the background reports required to develop a master plan. Tim Welch Consulting and GLPi (Glenn Pothier) were the successful candidates in this process, starting on June 19, 2017.

**Contents**

- 1. Introduction and Background ..... 5
  - 1.1 Region of Waterloo’s Vision for Affordable Housing ..... 5
  - 1.2 Master Plan Purpose ..... 5
  - 1.3 Master Plan Development Approach ..... 5
  - Key Findings and Conclusions ..... 7
  - 1.4 Background and Context ..... 7
  - 1.5 Responsibilities of the Region of Waterloo ..... 8
  - 1.6 Community Housing Overview..... 9
  - 1.7 Current WRH Portfolio ..... 10
    - 1.7.1 WRH Current Challenges ..... 10
    - 1.7.2 WRH Future Opportunities ..... 11
  - 1.8 WRH Current Tenant Profile and Pressures ..... 11
  - 1.9 Waterloo Region as a Leader in Community Housing ..... 12
- 2. Affordable Housing Policy Context ..... 13
  - 2.1 Federal Policy Context..... 13
  - 2.2 Provincial Policy Context ..... 14
    - 2.2.1 Housing Services Act, 2011 ..... 14
    - 2.2.2 Community Housing Renewal Strategy ..... 14
    - 2.2.3 Provincial Policy Statement (PPS)..... 15
    - 2.2.4 A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan)  
..... 15
  - 2.3 Regional Policy Context..... 16
    - 2.3.1 Corporate Strategic Plan ..... 16
    - 2.3.2 Regional Official Plan ..... 16
    - 2.3.3 10-Year Housing and Homelessness Plan (2014-2024)..... 17
    - 2.3.4 Affordable Housing Strategy ..... 17
- 3. Environmental Scan of Municipal Affordable Housing in Ontario ..... 18
  - 3.1 Windsor Essex Community Housing Corporation (CHC)..... 19
  - 3.2 Guelph-Wellington Community Housing ..... 19
  - 3.3 Ottawa Community Housing (OCH)..... 20
  - 3.4 CityHousing Hamilton (CHH) ..... 21
  - 3.5 Housing York Inc. .... 22
  - 3.6 Simcoe County Housing Corporation (SCHC) ..... 22

4. Current and Future Affordable Housing Needs .....	25
4.1 The Public Consultation Process and Summary of Findings: What We Heard....	25
4.2 Affordable Housing Need.....	27
4.2.1 Measures/Indicators of Housing Need.....	27
4.3 Coordinated Housing Access System.....	31
4.4 Rental Housing Gap .....	32
4.5 Service Drivers .....	33
4.5.1 Population Growth .....	33
4.5.2 Demographics.....	34
4.5.3 Income .....	34
4.5.4 Real Estate .....	34
4.6 Not-for-Profit/Co-operative Affordable Housing Sector .....	35
4.7 Private Development Interest & Capacity (Current & Future Picture) .....	36
4.8 Investments in Renewable Energy Retrofits .....	37
5. Methodology for Assessing WRH Communities.....	37
5.1 Assessing the Current WRH Communities .....	37
5.2 Evaluation Matrix .....	37
5.3 Financial Costing Tool .....	39
5.4 Building Site Summaries.....	40
5.5. Estimated Construction Schedule Tool.....	40
6. Overall Goals, Strategic Categories and Options.....	40
6.1 Current Key Goals and Strategic Directions .....	41
6.2 Strategic Category 1: Intensify/Redevelop WRH Communities .....	42
6.2.1 Redevelopment Project Approach .....	44
6.2.2 The WRH Revitalization Strategy Team .....	45
6.2.3. Financial Implications .....	46
6.3 Strategic Category 2: Operate and Maintain Remaining Communities.....	47
6.4 Strategic Category 3: Potential Divestment Opportunities .....	47
7. Implementation.....	49
8. Monitoring and Evaluation.....	50
9. Appendices .....	51

# 1. Introduction and Background

## 1.1 Region of Waterloo's Vision for Affordable Housing

*Our vision is...*vibrant, people-centered affordable housing communities that contribute to quality of life, belonging and realizing potential.

*Our mission is...*to create and maintain safe, quality affordable housing communities in which people can live well and thrive.

## 1.2 Master Plan Purpose

The purpose of the Waterloo Region Housing (hereafter WRH) 20-year Master Plan is to provide a strategic framework to achieve our vision and mission with a focus on the Regional Municipality of Waterloo's (hereafter the Region) role as a housing provider. It presents a vision and strategy to revitalize housing communities through future redevelopment and growth as well as how it will maintain the current affordable housing<sup>1</sup> stock WRH offers. The WRH MP will also explore how and when potential divestment strategies are invoked to either replace existing units or generate revenue through potential partnership opportunities. The impact of the Master Plan is intended to ensure the continued support and improvement of services for all tenants.

Through the process of developing a Master Plan, it was recognized that WRH could create a minimum of an additional 600 units within its existing 65 communities which would then meet the overall service goal of generating more affordable housing within Waterloo region.

The WRH Master Plan will provide clear direction for managing both current and future communities as well as address current and upcoming challenges and opportunities.

## 1.3 Master Plan Development Approach

The Master Plan development process was approved and endorsed by Regional Council on February 22, 2017 (see Report CSC-HOU-17-04). This report to Council illustrates the need for a long-term strategy by sharing some of the conditions in 2017 that WRH was experiencing as a housing provider. Some of these conditions included: WRH's challenge with the increased costs for repair and replacement of an aging stock, an outdated community composition of 98.5% rent-geared-to-income (RGI) units, and the dwindling Federal capital subsidy and Housing Capital Reserves.

The Report also listed some key opportunities for example, some WRH sites are in strategic areas, within or close to the Central Transit Corridor and other transportation nodes, and some sites have the potential for infill and/or intensification/redevelopment. Furthermore, there is an opportunity for energy savings/costs by building more energy efficient units thereby reducing emissions. There would also be an opportunity to develop more mixed-income communities and provide WRH with greater degree of financial sustainability.

---

<sup>1</sup> Within the context of this Master Plan, "affordable housing" is defined as subsidized housing or more frequently referred to as "community housing".

A WRH Master Plan Steering Committee and Corporate Advisory Committee were established to assist with the process. The Steering Committee consists of 4 Regional Councillors, staff from Housing Services, Facilities Management, Legal Services and the Finance Department.

The Master Plan development process was comprised of three separate phases:

- Phase 1: Plan Design Phase (February 2017 – April 2017)
- Phase 2: Consultation and Development Phase (May 2017 – March 2018)
- Phase 3: Analysis of Options and Plan Development (April 2018 – October 2019)

In Phase 1, the Plan Design Phase, the Steering Committee and Corporate Advisory Committee were created, along with the Project Charter and Critical Path. (see Appendix A: Project Charter).

Phase 2, the Consultation and Development Phase involved the hiring of a consultant team (Tim Welch Inc. and GSP), and conducting a public consultation process with internal and external stakeholders. The consultants were involved in conducting background research, facilitating the stakeholder consultation, summarizing the results as well as developing and analyzing various options which helped to inform staff's recommendations moving forward.

For Phase 3, the Analysis of Options and Plan Development Phase involved the preparation of background reports, the creation of the assessment tools including the evaluation matrix tool, the financial costing analysis tool, and the building site summary tool, implementation of these tools and analysis of the results, and finally, the draft Master Plan.

The three background reports created include the following:

- WRH What We Heard Summary – Final report (summary of stakeholder consultation findings Report # CSD-HOU-18-06), Appendix J
- WRH Master Plan Discussion Paper, Appendix K
- Environmental Scan of Municipal Housing Corporations

A summary of the stakeholder consultation was presented to Council in February 2018 (CSD-HOU-18-06). It is described in Section 4.

The Assessment Tools developed and used for analysis of the existing WRH communities include:

- Evaluation Matrix Tool, Appendix B
- Financial Costing Tool for Potential Redevelopment, Appendix E
- Building Sites Summary Tool for all 65 WRH communities, Appendix C

- Estimated Construction Schedule Tool illustrating overall timelines for project(s) completion, Appendix H.

From November 2018 to September 2019, using the results of these tools, staff and the Steering Committee developed and evaluated several different scenarios for the revitalization of the WRH housing portfolio.

### **Key Findings and Conclusions**

To ensure that the goals and targets for creating a minimum of 600 additional units are realistic and achievable, a number of key findings and conclusions were identified by the Master Plan Steering Committee. They include the following:

- The number of RGI units currently operated by WRH should not decrease;
- WRH should continue to develop more affordable housing units on existing sites;
- The redevelopment of existing WRH communities should include units that have low-end average market rents to help create a diversity of incomes among tenants and improve the long-term financial sustainability of WRH;
- Capital funding could be made available through selling certain WRH assets (e.g. single detached dwellings), partnering with the private sector and/or private non-profit or co-op housing sector organizations and through the National Housing Strategy or other programs;
- Additional operating revenue can be generated on redeveloped and new WRH communities by the potential to create commercial space, increasing the number of units paying below average market rents and private-public partnerships for joint condominium developments;
- Short and long-term capital repair costs would decrease on sites that are redeveloped. Due to the age of WRH's portfolio, Facilities Management (FM) staff spend a considerable amount of resources on maintaining the existing stock;
- The staffing costs to support the development of housing should be part of the overall capital budget of that new housing; and
- Funding for the new WRH communities should utilize the Federal government's National Housing Strategy to fund the construction costs along with Regional financing. The annual operations may have a tax levy impact.

### **1.4 Background and Context**

Studies have shown that affordable housing is key to the health, equity and sustainability of communities<sup>2</sup>. The lack of affordable housing impacts many aspects of a community's well being. It affects the well-being of families and individuals by

---

<sup>2</sup> Gursteiin, P. 2012 "Affordable Housing as a Sustainability Strategy: Policy Implications for Canadian Cities" in S. Gill and R.K. Dhawan (eds.), Volume on Canadian Studies. Brisbane, Australia: PANCS. 26 pp. (in press).  
3122588

increasing the need for longer commute times to work and reducing access to public transit and other services. Vulnerable populations are most frequently impacted when they lack access to affordable housing. Some of these populations may include: low and moderate-income households, older adults, Indigenous Peoples, newcomers to Canada, lone-parent households, or individuals experiencing mental health challenges and/or addictions.

A lack of affordable housing can also intensify other existing community challenges such as an influx in the number of households spending more than 30% on their shelter and a greater risk of people becoming homeless. This leads to more food insecurity and a lowered quality of life. Some of these challenges can result in greater costs to the income support program, emergency health system, the judicial system and the overburdened non-profit sector.

Affordable housing has been recognized by the United Nations in its list of Sustainable Development Goals as a way to achieve a better and more sustainable future for all by 2030. Goal 11: Sustainable Cities and Communities intends to “make cities and human settlements inclusive, safe, resilient and sustainable”.<sup>3</sup> Similarly, one of the Region of Waterloo’s Corporate Strategic Priorities: “Healthy, Safe and Inclusive Communities” references the importance of affordable housing in Objective 4, which states that the Region will “increase the amount of affordable housing in Waterloo region.

The Region, as the fourth largest community in Ontario is experiencing rapid population growth. According to current population forecasts, Waterloo region will be home to an additional 140,780 households by 2031, which equates to an estimated population of 742,000 compared to the current population of 601,220, as of 2018. The proportion of those needing affordable community housing is also expected to grow. With this continued growth, a growing disparity in proportionality of affordable housing has reached a point of great concern.

The Region is a Community Housing provider, operating and managing 2,814 Community Housing units spread across 65 sites. This represents 30% of the 8,991 broader Community Housing units across Waterloo region. This makes the Region the largest Community Housing provider in Waterloo region.

While WRH actively maintains its existing units and its proportionality of affordable housing within Waterloo region, a long-term plan addressing the future of WRH’s portfolio does not currently exist.

## **1.5 Responsibilities of the Region of Waterloo**

The Region performs two significant roles in relation to affordable housing:

1. Designated by the Province of Ontario, the Region is the Service Manager for housing and homelessness; and
2. It is the leading community housing provider in Waterloo region.

---

<sup>3</sup> Kacyira, A.K. 2016. “Housing is at the center of the sustainable development agenda”. World Bank Blogs. <https://blogs.worldbank.org/psd/housing-center-sustainable-development-agenda>  
3122588

The Housing Services Act (2011) establishes the Region as the Service Manager. More specifically, in this role, the Region is responsible for the following:

- Housing system planning, including the 10-Year Housing and Homelessness Plan and the Housing Action Plan;
- Administering the Region's allocation of capital funding and other housing related grants or incentives from senior levels of government (e.g. Social Infrastructure Funding, Ontario Renovates);
- Assisting in the development of new affordable rental units through the private and non-profit housing development sector;
- Administration and funding for the non-profit and co-operative social housing providers from the 1980s and 1990s;
- Administration of rent supplement subsidies for tenants in many private sector rental and community housing providers and,
- Ensuring that the minimum number of Rent Geared-to-Income (RGI) units, the Service Level Standard, as identified by the Province, is available to low and moderate income households.

As defined by the Housing Services Act (2011), all Service Managers across Ontario are required to ensure that subsidized units are provided within their community.

Furthermore, as part of this requirement, municipalities are required to provide funding for all programs associated with these types of units. As such, as the Service Manager, the Region is responsible for these additional units within our community as well as the funding of the programs associated.

In addition to this, the Region works with community stakeholders to develop short and long term plans to address housing and homelessness issues.

In its other role, as a community housing provider/landlord, the Region operates and manages its community housing portfolio which are known as Waterloo Region Housing (WRH). Currently, WRH Staff oversee tenant management and relations as well as the overall operation of these communities.

## **1.6 Community Housing Overview**

Although significant progress has been made over the years, the total amount of affordable housing development since 2002 has not maintained the minimum amount of affordable housing units required in Waterloo region. To date, with the exception of WRH development projects completed between 2003 and 2010, the Region relies solely on the non-profit and private sector to develop all of the affordable housing units within our community.

Across Waterloo region there are 8,991 community housing units, current to September 2019. These units are owned and operated by a variety of providers, including non-profits, cooperatives, and the Region. WRH owns and operates close to one-third (30%)

of the current supply of community housing units, 98.5% of which are RGI units. Below is the current breakdown of all community housing units:

Non-profit and co-ops	6,177
WRH (legacy stock)	2,722
Total	8,991

All the Provincially downloaded community housing units are set as a service level standard legislated in the Housing Services Act and must be maintained at that level. Because WRH holds a 98.5% RGI composition that represent 30% of the overall legislated service level standard, it is in a unique opportune position to redevelop.

Altogether, community housing units represent 4.8 percent of all occupied dwelling units in Waterloo region as of 2019 (see below).

Community Housing Units	8,991
Households/Occupied Dwellings (2016 census)	203,830
Community Housing as a percentage of all occupied dwellings	4.4%

Between 2002 and the present, the Region as the Service Manager, has through its Affordable Housing Strategy, enabled the building of 1,594 new affordable units, which is an average of 100 units per year. The majority of this new affordable housing has been constructed by the non-profit, co-operative and private sectors using funding through a variety of sources including Federal/Provincial capital funding and incentives from the Region and area municipalities. During the same period of time, the Region itself constructed 62 new units (an average of 4 units per year) in two separate developments on the Sunnyside Campus in Kitchener. Although provincially funded development grants/loans were available, the Region, for various reasons, chose not to avail themselves of this funding to build additional affordable units.

### **1.7 Current WRH Portfolio**

The WRH portfolio consists of family-friendly buildings, buildings dedicated to seniors, and units for singles or couples. Units range from 1 to 5 bedrooms. The housing forms range from single-detached dwellings to duplexes, townhouses, low-rise, mid-rise and high-rise apartment buildings.

Waterloo Region Housing (WRH) manages the tenant responsibilities for Regionally-owned affordable housing, and works with the Facilities & Fleet Management (FFM) Division, which provides the asset and operational management.

#### **1.7.1 WRH Current Challenges**

There are some challenges with the current portfolio. Physical building assets across the 65 communities are aging, and capital repair and replacement costs are escalating. The Housing Capital Reserve, which covers much of the WRH capital costs has limits in its capacity and is depleting over time. In addition to increasing capital pressures,

operating costs are also rising due to old and inefficient systems. Much of the stock is also far from transportation options and other services.

### **1.7.2 WRH Future Opportunities**

Some WRH housing communities are located in strategic areas within or close to the Central Transit Corridor (CTC) and/or other major transportation nodes. As such, these sites have the potential for infill or redevelopment/intensification. Replacing or adding units allows for energy efficiency improvements and opportunities to create mixed-income housing communities. There are new Federal and Provincial investment opportunities in housing, and changes in policies to create more flexibility for existing housing funding models and operations. At the same time, there is a growing need for affordable housing in Waterloo region. There are non-profit and private sector proponents that have expressed interest and capacity to develop new affordable housing (public-private partnership opportunities). However, they often face barriers around finding appropriate land, providing equity contributions or building to the scale that is currently required, making WRH a suitable partner because of its land assets.

### **1.8 WRH Current Tenant Profile and Pressures**

As the largest provider of community housing in Waterloo region, WRH has the largest tenant population of close to 12,000 individuals, with roughly half (48%) being under the age of 25. The primary source of household income for tenants varies with a majority on fixed-incomes. Approximately 42% are on Canada Pension Plan/Old Age Security, and 30% receive Ontario Works (OW) or Ontario Disability Support (ODSP). The remaining 25% of households receive their income through employment. Many households whose source of income is employment based are often paying maximum rent.

The vast majority of WRH units (98.5%) have Rent-Geared-to-Income (RGI)<sup>4</sup> subsidies attached to them. The remaining units having rents that are on the low-end of average market rent (AMR). With most WRH tenants being RGI households, only a few are mixed-income sites. The recently acquired ROWCHI sites consist of mixed-income buildings with a majority of units (63) at low-end of market, and only 29 RGI units.

Mixed-income communities are the preferred housing type, as it results in greater inclusiveness, and improves tenant engagement and quality of life. It also encourages the integration of various services in close proximity to residents so that residents and the surrounding neighbours feel a greater sense of safety and cohesion<sup>5</sup>. Additional services are valuable when more complex needs such as mental health challenges and/or substance abuse are experienced in a community.

A small number of Region units (56) are dedicated to supportive housing through the Concurrent Disorders Supportive Housing Program. These units provide on-site support

---

<sup>4</sup> The rent is set to be 30% of the households total monthly income before tax. If the household received social assistance the rent is based on the rent benefit set by the Province.

<sup>5</sup> De Vos, Esther and Ian Moore. 2017. Mixed-Income Housing: The Model in a Canadian Context. [https://ucalgary.ca/cities/files/cities/de-vos-and-moore\\_mixed-income-housing\\_the-model-in-a-canadian-context.pdf](https://ucalgary.ca/cities/files/cities/de-vos-and-moore_mixed-income-housing_the-model-in-a-canadian-context.pdf)  
3122588

services for those with mental illness and addictions. There is currently a waitlist of approximately 65 people for this housing type.

Approximately half of the units owned by WRH are for families, with a significant number dedicated to seniors (39%), and a lesser number dedicated to single and couple adult households (11%). Generally, units for families contain three or more bedrooms, while units for seniors have a fewer number of bedrooms but are designed with accessibility standards. Units for singles and couples are standard with two bedrooms or less. Typically, these units are in different geographical locations or are situated close to each other rather than combined on one housing site. Families tend to live in single detached, semi-detached, or townhouse units, while seniors and adults tend to be in more compact housing communities such as low, mid or high-rise apartment buildings.

### **1.9 Waterloo Region as a Leader in Community Housing**

In 2001, the Province transferred responsibility of Local Housing Corporations (LHC) to upper or single-tier municipalities. Accordingly, the Region became owner and manager of an additional 2,557 units of affordable housing. This was older stock with some built prior to 1957, and with most (85%) developed in the late 1950's to late 1970's. These housing communities had 100 percent Rent-Geared-to-Income (RGI) housing units.

The Region has always been a strong leader and provider of affordable housing. In fact, well before the Provincial transfer, the Region created its own affordable housing communities. In 1986, the Region established a non-profit corporation that was formerly known as the Waterloo Region Non-Profit Housing Corporation, a Private Non-Profit (PNP), and developed three mixed-income housing communities with a total of 132 units (112 Rent-Geared-to-Income and 20 Market Rent units). Through the transfer of social housing programs from the Province to the Region in 2004, this corporation was restructured and reorganized into what is now referred to as "The Region of Waterloo Community Housing Inc. (ROWCHI).

The Region continued to add to its affordable housing portfolio in 2003 with two units of infill development. The following year, the Region developed a 32 unit mixed-income building for seniors on the Sunnyside campus in 2004 (12 RGI & 20 Market Rent). The Region also completed the 30 unit Sunnyside Supportive Housing apartment in 2010. In 2015, two existing mixed-income housing sites known as La Capanna 1 and La Capanna 2, which consist of 92 units (29 RGI and 63 Market Rent) were transferred to ROWCHI.

Additionally, the Region purchased a vacant school site in Cambridge in 2016 that has potential to be developed for affordable housing. The decision regarding the use of this property is pending the outcome of the WRH Master Plan.

The current total number of Regionally-owned affordable housing units is 2,814, which includes the 92 units held by Region of Waterloo Community Housing Inc.

Other initiatives that demonstrate leadership include the introduction of smoke-free buildings in 2010, and the creation of YouthForce in 2016, which is an award winning

provincially recognized summer employment program for local youth who live in or nearby community housing units to inspect units. Partnerships with local mental health and addictions services have been established to provide home-based support to the tenants at two WRH communities. A Tenant Engagement Strategy was created in 2017 which provides tenants with meaningful opportunities to collaborate with WRH to create better homes and build better neighbourhoods through regular tenancy meetings, a tenant advisory committee, local tenant councils, and a WRH wide newsletter. Also in 2017, the Rogers Community Foundation funded all of WRH's units with the Rogers Connected for Success program which provides affordable internet service to all tenants.

During 2018-2019, the Community Services Department within the Region initiated its new service philosophy. It is transforming the Department to be fully integrated and "client-focused". It means that staff across Children's Services, Employment and Income Support and Housing work collaboratively with clients to achieve their goals around improving their quality of life. This will have a positive impact on WRH tenants as any services they access will be much more holistic and serve a number of needs all at the same time.

## **2. Affordable Housing Policy Context**

Housing is a complex system where every level of government has a role to play. As a Service Manager, the Region of Waterloo provides a coordination and oversight function for this shared responsibility.

### **2.1 Federal Policy Context**

Historically, the Federal Government has played a significant role in housing. However, in 1995, the Federal government was no longer involved in subsidized housing from a development and operational perspective. Beginning in 2003, the Federal government became re-involved by introducing the Canada-Ontario Affordable Housing Program in partnership with the Province, which provided program funding in the form of development grants/loans. Although this was a change in the level of involvement that the Federal government originally had in the affordable housing sector, it was not until 2017 where it again truly became a significant contributor in the sector.

In November 2017, the National Housing Strategy (NHS) was released. The NHS is a 10-year plan creating a new generation of housing in Canada to give more people a place to call home by providing more affordable homes through public, private and non-profit partnerships. The NHS aligns with the Region's own vision on the creation of more affordable housing.

Following its release, multi-lateral agreements were signed in April 2018 by the Federal, Provincial and Regional governments to secure the commitment of the NHS and move ahead with implementation. A bi-lateral agreement between the Federal and Ontario government was then signed, providing an opportunity to align Federal funds with Ontario's Community Housing Renewal Strategy, which was announced in April 2019.

The National Housing Strategy provides potential financing options to assist with future development initiatives.

In May of 2018, the Federal government announced the National Housing Co-investment Fund (NHCF), as part of the NHS, which provides funding through low-cost loans and capital contributions for the maintenance and construction of affordable housing units in various communities across Canada. This fund has been designed to support partnerships between governments, non-profits and the private sector to respond to a broad range of housing needs.

Overall, there appears to be continued Federal funding for new supply as well as for new resources for re-development through a Federal portable housing program, and low interest financing. The National Housing Strategy will be a significant factor in how part of the WRH Master Plan can utilize relatively new Federal capital funding to proceed with the redevelopment and new construction of affordable housing units within the community (see Strategic Category 1 of the Master Plan, p.42).

The Canadian Mortgage and Housing Corporation (CMHC) is a Federally-owned Crown Corporation that has been mandated to administer all of the different funding programs for the NHS.

## **2.2 Provincial Policy Context**

The Province has the role of housing system steward, and sets the housing policy framework through the Housing Services Act (2011), and other associated legislation such as Bill 108: More Homes, More Choice Act, the Community Housing Renewal Strategy and the Growth Plan for the Greater Golden Horseshoe.

### **2.2.1 Housing Services Act, 2011**

The Housing Services Act (2011) is the key piece of legislation governing most aspects of affordable housing in the Province. Its purpose is to allow for community-based planning and provision of housing and homelessness services with provincial oversight and policy direction. It gives Service Managers some degree of flexibility while maintaining RGI requirements, and other aspects of community housing and homelessness programs as well as mandating subsidy calculations for community housing.

### **2.2.2 Community Housing Renewal Strategy**

The Community Housing Renewal Strategy aligns with the Housing Supply Action Plan and is a multi-year plan to sustain and expand Ontario's community housing system through repair, new construction, supports and improved system efficiency. The Strategy is focused on affordable housing for low and moderate-income households and community-based housing provided by the non-profit, co-operative and municipal housing sectors. It is also intended to build a better community housing system through the implementation of new funding programs, improving waitlists, simplifying rent-geared-to-income rules and creation of additional incentives for community housing providers.

The overall goal of this Strategy is to increase the supply of affordable and adequate housing, improve access to affordable housing and support individual needs to achieve housing stability, as well as ensure an efficient community housing system with long-term sustainability.

### **2.2.3 Provincial Policy Statement (PPS)**

The Provincial Policy Statement (PPS) is a land use vision for how the Province of Ontario manages land and resources over the long-term, with the overall goal of achieving liveable and resilient communities. The PPS provides policy direction on matters of provincial interest, setting the foundation for development and use of land.

The PPS includes policies related to housing, which requires municipalities to provide for an appropriate range and mix of housing types and set affordable housing targets that will accommodate the projected population of current and future low and moderate-income residents.

The Region has set an affordable housing target of 30%, which is being implemented as part of the updated 10-Year Housing and Homelessness Plan. Redevelopment by WRH will contribute to achieving the annual affordable housing targets.

As part of Ontario's Housing Supply Action Plan, the Provincial Policy Statement is proposing policy changes to support the goal of increasing the housing supply, supporting jobs and streamlining development approvals across Ontario. The government is proposing policy changes to:

- Encourage the development of an increased mix and supply of housing
- Protect the environment and public safety
- Reduce barriers and costs for development and provide greater predictability
- Support rural, northern and Indigenous communities
- Support the economy and job creation

The provincial government is currently in the process of consulting on these proposed changes.

### **2.2.4 A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan)**

The Growth Plan, a framework for implementing Ontario's vision for building stronger communities by better managing growth, has been designed to promote economic growth, increase housing supply, create more jobs and build communities that make life easier, healthier and more affordable for people of all ages.

The Growth Plan has some specific policies around housing, and specifically affordable housing. It requires the Region (corporately) to develop a housing strategy, which identifies a diverse range and mix of housing options to meet the needs of current and future residents and establishes targets for the amount of affordable rental and ownership housing that needs to be developed. These targets are currently being established and are expected to be included in the five-year review of the 10-Year Housing and Homelessness Plan. These targets will result in a need for the Service

Manager and Waterloo Region Housing to play a role in creating new affordable housing and in maintaining the overall affordability (by proportion) within Waterloo region.

The Region of Waterloo is bound by Provincial legislation, and utilizes these regulations for guidance in creating and implementing specific policy, programs or initiatives in response to local housing related issues. Without Federal or Provincial involvement, the number of community housing units within the Region is unlikely to increase substantially. Accordingly, the WRH Master Plan lays out the best strategy to accomplish the goal of creating 600 additional affordable housing units by utilizing both Federal and Provincial funding opportunities and changes to legislation.

## **2.3 Regional Policy Context**

The Region has various policy documents in place to foster affordable housing options within our community and improve tenant quality of life, as indicated below.

### **2.3.1 Corporate Strategic Plan**

The Region's Strategic Plan describes a future of what we are working to achieve within our community. It provides a common focus for Council and staff by helping to guide priorities, and ensure our programs and services efficiently addresses the needs of our community.

Currently, the Region is undergoing an update of our Strategic Plan. The Region's Strategic Plan has five high level focus areas that carry over from the previous Strategic Plan:

1. Thriving Economy
2. Sustainable Transportation
3. Environmental and Sustainable Growth
4. Healthy, Safe and Inclusive Communities
5. Responsive and Engaging Government Services

In recognizing the increased challenges, the Region faces with regard to affordability in our community, the updated Strategic Plan has a strong focus in providing outcomes related to affordable housing listed under Section 4: Healthy, Safe and Inclusive Communities. Similar to the previous Strategic Plan, the objectives under this section will aim to provide quality services and programs to improve access to the supports that contribute to a healthy, safe and inclusive community. This will include improving housing affordability in the Region.

### **2.3.2 Regional Official Plan**

Chapter 3 of the Regional Official Plan emphasizes the importance of housing as a basic necessity, stating that a liveable community is one that provides a full range of housing types that is safe, affordable and accessible. The intent of the policies within this section of the Official Plan are to protect affordable housing within our community and promote intensification through an appropriate mix of housing in terms of form,

tenure, density and affordability to satisfy the various physical, social, economic and personal support needs of residents.

Specifically, Chapter 3 includes requirements on affordable housing, setting out criteria for condominium conversions, provisions for multi-unit development and encourages opportunities to offer incentives in providing affordable housing such as density bonuses or property tax exemptions. Lastly, the Official Plan regulates community housing with respect to the special needs required by some populations who require accessibility conversions as well as Regional community housing and emergency shelters.

### **2.3.3 10-Year Housing and Homelessness Plan (2014-2024)**

The 10-Year Housing and Homelessness Plan plays a critical function in setting out how the Region manages affordable housing and facilitates the ending of homelessness. Specifically, the 10-Year Plan maps out how the Region provides housing affordability, coordination of homelessness and related support services, the prevention of homelessness and ending of *chronic* homelessness.

Based on comprehensive consultation with the greater community as well as numerous stakeholders, the 10-Year Plan consists of various objectives, targets and other related goals to respond to housing and homelessness issues within our community. The 10-Year Plan is a planning framework to implement positive change in our community by setting a foundation for the Region to address complex needs and affordability issues. A five-year review of the 10-Year Housing and Homelessness Plan will be submitted to Council before the end of 2019.

### **2.3.4 Affordable Housing Strategy**

The Region's Affordable Housing Strategy was first initiated in 2001, which set a goal of creating a minimum of 1,000 new affordable units, including new rental units, rent supplement units and affordable home ownership. The goal was later expanded to 1500. The Region's Affordable Housing Strategy was updated in 2014, proposing a new goal of addressing 700 low and moderate-income households through the creation of 350 new affordable housing units and the preservation of 350 existing units.

This Strategy was utilized by the non-profit and private housing sector to increase the amount of affordable housing available within our community. With the Affordable Housing Strategy in place, the Region has consistently exceeded these goals. The success of the Affordable Housing Strategy has had a positive impact on the housing environment in our community, and will continue to be updated to respond to changing needs.

Although its success has been recognized, the overall population growth of the Region and subsequent increase in property values has rendered the goals of the Strategy insufficient in addressing the growing gap in affordability. Even with the 2,440 new affordable housing units created through the Affordable Housing Strategy since 2001 by the non-profit and housing sector, the need for more affordable housing is exponentially growing. The Waterloo Region Housing Master Plan can address the disparity since it will be participating in the creation of a minimum of 600 new affordable housing units

assuming Regional Council supports such a plan. By doing so, WRH will continue to maintain a 30% proportional amount of the overall affordable housing offered by the Service Manager.

### **3. Environmental Scan of Municipal Affordable Housing in Ontario**

Municipal Housing Corporations (MHC's) across Ontario were studied to better understand some of the current practices within the municipal community housing sector. MHC's were compared to establish some of their respective roles and responsibilities and recently undertaken activities. WRH conducted this environmental scan of municipal counterparts in order to better inform what type of tools (corporate structure) and approaches it could utilize within its Master Plan.

Six MHC's were analyzed as part of this process. Of the six listed below, only Guelph-Wellington County Community Housing is owned by its parent municipality as WRH currently is by the Region of Waterloo. The remainder were owned by an arm's length corporation whose sole shareholder is the municipality that also holds Service Manager responsibilities. A table comparing the six municipalities can be found on page 25.

The decision for Wellington County to directly own their community housing stock was made for a number of reasons including:

- Helping to ensure better communication between municipal staff (e.g. those managing the housing and providing services, etc.)
- Providing housing and support services under one roof to provide easier access for tenants;
- Ensuring resources that are allocated to municipally-owned assets are built and managed to proper standards;
- Streamlining the approvals process, rather than having to obtain support by both a Board of Directors and Council.

The remaining MHC's are owned by an arm's length corporation, whose sole shareholder was the municipality. The following reasons were provided for continuing with this organizational structure:

- More flexibility and agility to respond to changes and implement new ideas. Individuals from these MHC's felt that being owned directly by the parent municipality could be restrictive due to the risk adverse nature of government;
- Isolating risk from the shareholder when undertaking construction or other activities;
- Greater financial flexibility such as being able to obtain mortgages, loans from so called "patient" or social enterprise lenders and develop revenue generating activities;
- The ease in building a brand for the organization; and
- Being able to obtain political and community support for new initiatives in a much shorter time period. Rather than trying to obtain support from Council (who may

not have housing as a priority) for each new initiative, only the Board of Directors needed to provide approval for such decisions. It should be noted that in general, these activities were governed by the MHC's Master or Strategic Plan which was approved by Council. In addition, Council support is required if municipal incentives are being provided to MHC activities.

Based on feedback provided by MHC staff, it appears that there is no right organizational model for a Municipal Housing Corporation. Based on several findings of this scan, housing corporations are most successful when:

- The organizational structure matches the institutional culture and traditions of the municipality it is operating in;
- Staff are highly skilled and have good communication within and between different municipal departments;
- There is strong support from the shareholder for the MHC activities; and
- An active and strong Board of Directors or Advisory Group helps guide the MHC to undertake new and innovative activities.

The following is a brief summary of how other municipalities in Ontario are responding to affordability issues within their community, particularly as it relates to community housing owned and operated by the public sector.

### **3.1 Windsor Essex Community Housing Corporation (CHC)**

The Windsor Essex Community Housing Corporation is the largest housing provider in Windsor and Essex and the fourth largest in Ontario. This corporation is an independent local housing corporation, with a Board of Directors appointed by the City of Windsor. The City of Windsor is the sole shareholder of this corporation.

They are responsible for the delivery of 4,708 housing units in the City of Windsor and County of Essex while the Housing Services Unit at the City of Windsor is responsible for the administration of a total of 8,700 affordable housing units within the community.

The Windsor Essex Community Housing Corporation is in the process of developing Ontario's largest passive house complex<sup>6</sup> in Canada, which is the first affordable housing project built in Windsor by WCH since 1987. It is a \$39 million development, offering up to 150 affordable housing units in an eco-friendly building. The proposed building is highly energy-efficient, which could result in monthly energy bills as low as \$20. The majority of the funding for this project is being provided through the National Housing Strategy's Co-Investment Fund, as well as the Province and other sources including the City of Windsor.

### **3.2 Guelph-Wellington Community Housing**

The County of Wellington is the Consolidated Municipal Service Manager for the Wellington and Guelph area, and plays a vital role in addressing housing issues in the

---

<sup>6</sup> Passive houses are rigorous voluntary standard for energy efficiency in a building, which reduces the building's ecological footprint. It results in ultra low energy buildings that require little energy for heating and cooling.

community. The County of Wellington owns and manages approximately 1,189 rental housing units through rent-gear-to-income subsidies for eligible tenants and below average market rents. There are a total of 2,754 affordable housing units within Guelph-Wellington, which consists of units owned by Wellington Community Housing, non-profit providers, Federal non-profit units and co-operatives.

WCH plays an administrative role for rent supplements and housing allowances, as well as various administrative agreements and funding initiatives. Similar to WRH, their main functions are maintaining and providing a Centralized Waiting Lists, the Housing Help and Outreach Services, Landlord and Management Services, Social housing for non-profit and co-operative housing owners, and affordable housing.

Wellington Community Housing recently completed construction of a new 55-unit affordable housing project for seniors in 2017. This project was made possible by leveraging \$8 million in Federal and Provincial funding as well as significant municipal contributions.

More recently in 2018, another affordable housing project was developed, which consisted of 11 units designed for families. Wellington Community Housing leveraged \$1.65 million in funding from Federal and Provincial governments to begin construction for this development.

### **3.3 Ottawa Community Housing (OCH)**

The City of Ottawa is over two times the geographic size of the Regional Municipality of Waterloo, with a population of nearly one million people. Unlike the WRH, Ottawa Community Housing is an arm's-length organization whose sole shareholder is the City of Ottawa. OCH is governed by a Board of Directors, comprised of the Mayor, City Councillors, community representatives and a tenant representative. They are the second largest community housing provider in Ontario, and the largest in Ottawa, managing two-thirds of the City's portfolio.

Through their 10-Year Strategic Plan, OCH owns and operates approximately 15,000 units with a diverse tenant population of 32,000 people. OCH offers a broad range of market rent and rooming house opportunities, along with homes that are available with rent subsidies. The City's Housing Services Department administers and funds approximately 22,500 affordable housing units across the city, and manages a waitlist of approximately 10,000 households.

Being the largest housing provider in Ottawa, Ottawa Community Housing recognizes that the demand for affordable housing is much greater than the supply. Their most recent affordable housing project is known as the Ashgrove Expansion, which consisted of the development of seven new townhomes and three triplexes, both comprised of larger units. Funding for this project was provided by the Federal-Provincial Investment in Affordable Housing (IAH) program as well as by OCH.

Additionally, in 2019, the City of Ottawa announced that the city will spend \$15 million of its own funds to double the number of affordable housing units to be built in the upcoming years. This is the largest municipal contribution to housing capital in the city's

budget. The fund comes from a variety of sources, including housing reserves, development charges and spillover money from Federal and Provincial programs. The funding could lead to 250 new affordable housing units for 2019 alone, which is more than double the number from the previous year. This money will be allocated towards new affordable housing or rent supplements through an awarding process.

### **3.4 CityHousing Hamilton (CHH)**

The City of Hamilton is comparable to the Regional Municipality of Waterloo in geographic size, population and demographics. City-owned affordable housing units within the City of Hamilton are governed by the CityHousing Hamilton Strategic Plan (2017-2021).

CityHousing Hamilton is the housing corporation owned and operated by the City of Hamilton. CHH manages a portfolio of 7,136 units across over 1,200 properties that include apartments, townhomes, semi-detached and detached dwellings. Most housing within their portfolio is available on a rent-to-g geared-to-income (RGI) basis, with some units provided at market rent.

CHH is currently embarking on an extensive revitalization of its portfolio, which is its first large-scale redevelopment project. The project involves the redevelopment of 337 new units by rehabilitating 146 through retrofit and the construction of 191 new affordable units throughout Hamilton. This is an investment of \$63 million into five city-owned buildings through an intensive retrofit of existing assets and new development that replaces single and semi-detached dwellings that have been sold, as well as by adding new units<sup>7</sup>.

As part of this redevelopment plan, CHH is seeking planning approvals for an affordable housing project known as Jamesville, which is located at Hamilton's waterfront. Through a public-private partnership and a Request-for-Proposal process, the proposal aims to replace the existing 91-unit townhouse complex with a 46-unit rent-g geared-to-income apartment building with a broader mixed-income community. The RFP requires that the project must also include a minimum of 45 affordable rental units, where rents must have an average of not more than 125% of the median market rent. The RFP evaluation approach includes a further incentive for proposals to offer an overall proportion of 15% of affordable units within the development. At minimum, the development will replace the existing 91 affordable housing units, while promoting a diverse mixed-income community.

Similar to the Region of Waterloo, Hamilton's community housing waitlist continues to grow, which creates challenges in maintaining existing units as well as adding to the aging stock. In response to this, the City has been exploring the option of using unused funding to pay for "portable" rent supplements linked to specific tenants rather than specific units.

---

<sup>7</sup> <http://www.cityhousinghamilton.com/page1.aspx?page=PropDev&tab=6&menu=1>  
3122588

### **3.5 Housing York Inc.**

Housing York Inc. is York Region's Housing Corporation. They are the largest housing provider in York Region and the seventh largest provider in Ontario. The housing corporation is made up of Regional Council appointed Board of Directors, a leadership team and staff from the Community and Health Services Department. The corporation was established in 2003 and owns nearly 2,600 units spread across 37 properties. Over the last decade, the waitlist for community housing has nearly doubled, which leaves more than 10,000 households waiting for a unit.

In 2016, Housing York Inc. developed a community hub in Richmond Hill, which combines affordable housing with commercial offices and youth services. There are a total of 202 units within this development, majority of which are one bedroom. The first of its kind in York Region, the hub includes a drop-in centre, indoor and outdoor courtyard recreational space, counselling rooms, and emergency and transitional bedrooms for youth. This building also includes LEED<sup>8</sup> features in some of the recognized categories. Funding for this development was committed by York Region with some additional funding provided by the Province, Richmond Hill, Pathways for Children and Youth and Families of York Region Inc.

Since the establishment of the corporation, Housing York Inc. has grown by more than 945 units through the development of nine new builds, and three acquisitions. Moving forward, Housing York Inc. is undertaking two upcoming projects. As recent as 2019, Housing York Inc. is moving ahead with the redevelopment of a site in Woodbridge, which will result in an additional 160 affordable units.

In 2020/21, Housing York Inc. is undertaking the development of a new affordable housing building for seniors, with a total of 260 units, the majority of which are funded via Federal and Provincial funding streams.

### **3.6 Simcoe County Housing Corporation (SCHC)**

The County of Simcoe is the direct owner and manager of the Simcoe County Housing Corporation, which currently owns 1,292 rent-geared-to-income units as well as 49 affordable housing units. Across the County of Simcoe, there are 4,113 social housing units, and 2,878 units are owned by non-profit organizations. The majority of these units are rent-geared-to-income units.

The County of Simcoe 10-Year Affordable Housing and Homelessness Prevention Strategy set out a goal of creating 2,685 affordable housing units by 2024. As of mid 2019, the County of Simcoe has created nearly 1,288 new affordable housing units, with 271 of those units being built in 2018 alone. This achievement has been done through a combination of new development, rent supplements and housing allowance, homeownership assistance and the creation of secondary suites.

---

<sup>8</sup> **LEED certification** provides independent, third-party authentication that a building, was designed and built using plans focused on achieving high performance in key areas of human and environmental health: location and transportation, sustainable site development, water savings, and energy efficiency, 3122588

Simcoe County Housing Corporation is currently developing the County of Simcoe's largest affordable housing project ever undertaken. The development is located in the Town of Collingwood and consists of 147 apartment units in two buildings, with a ground floor service component. The project has replaced 30 affordable townhouse units and will be geared towards seniors and families. Funding for the \$39 million budget was provided through development charges, Social Infrastructure Fund (SIF), capital reserves, as well as financing. The Town of Collingwood also waived applicable development application fees to help reduce the cost to proceed with the development.

The Simcoe County Housing Corporation (SCHC) is currently planning the redevelopment of a 3-acre site located in the Town of Victoria Harbour. The redevelopment plan proposes the construction of a three-storey building, with 41 one-bedroom units targeted for seniors and persons with disabilities. The building will be built to achieve LEED-silver efficiency. The County of Simcoe has allocated \$4 million of municipal funds to help pay for the development through a unique program for rural communities.

The following table provides some comparative aspects of the six municipalities.

**Table 1: Environmental Scan of Municipal Affordable Housing in Ontario**

Municipality	Municipally-Owned Community Housing	Arms-length Corporation	# of Units operated	Share of overall community housing stock	# of new units added since 2017
Guelph-Wellington	*		1,244	43%	82 (built)
Windsor-Essex Community Housing Corp.		*	4,700	55%	150 (to be built)
Ottawa Community Housing		*	14,800	66%	148 (in progress)
CityHousing Hamilton		*	7,000	51%	522 (to be built)
Housing York Inc.		*	2,600	52%	162 (in progress)
Simcoe County Housing Corporation		*	1,292	31%	300 (in progress)
Waterloo Region Housing	*		2,722	30%	0

**Sources:**

<https://www.wellington.ca/en/social-services/wellingtoncountyownedhousing.aspx> ;  
<https://www.wellington.ca/en/social-services/resources/Housing/250-DALY-HOUSING-MEDIA-RELEASE.pdf>  
<https://www.simcoe.ca/SocialHousing/Pages/AboutHousing.aspx>; <https://www.simcoe.com/news-story/8002686-affordable-housing-on-track-for-2018-in-simcoe-county/>  
<https://www.york.ca/wps/portal/yorkhome/support/yr/housing>;  
<https://www.york.ca/wps/wcm/connect/yorkpublic/0afc49a1-8194-492a-80fc-c09edf6b3953/HYI-2018-Highlights.pdf?MOD=AJPERES&CVID=mORDBkI>  
<http://www.cityhousinghamilton.com/>; <https://www.thespec.com/news-story/8897657-hamilton-s-social-housing-wait-list-keeps-growing/>; <https://www.cbc.ca/news/canada/hamilton/riverdale-1.5039628>;  
<http://www.och-lco.ca/>  
<http://www.och-lco.ca/ottawa-community-house-to-build-affordable-housing-capacity-with-eco-build/>  
<https://www.cbc.ca/news/canada/windsor/windsor-council-approves-affordable-housing-unit-1.4759262>

## 4. Current and Future Affordable Housing Needs

To determine the current and future needs for affordable housing, both quantitative and qualitative evidence was gathered from a comprehensive public consultation as well as the most recent available housing and demographic data (2016-2019). This chapter will present the results of both investigations

### 4.1 The Public Consultation Process and Summary of Findings: What We Heard

Phase 2 of the WRH Master Plan process included hiring a consultant team to conduct a community consultation and provide a summary report of the results. Tim Welch Consulting and Glenn Pothier from GLPi were the consultant team hired in June 2017. Public consultations began over the summer and were completed by the end of September 2017.

Within the Region, the following stakeholders were consulted:

- Regional staff from a number of divisions/departments such as Community Services, including housing staff from WRH and those that carry out other housing administration and policy functions, Public Health, Facilities, Finance, Legal, Planning and Economic Development;
- Commissioners from a number of Regional departments and the Chief Administrative Officer; and
- The Regional Chair and Regional Councillors.

The following stakeholders from the broader community were consulted:

- Tenants currently living in WRH communities;
- Community groups providing support services to tenants in WRH buildings;
- Non-profit housing and Co-operative housing providers;
- Private market housing developers; and
- Councillors and staff from lower tier municipalities.

A number of processes were used to obtain feedback from stakeholders within the Region of Waterloo and the broader community. These include:

- Focus Groups with stakeholders from within and outside of the Region;
- Individual interviews with staff from the Region, elected officials, non-profit and private sector housing providers and support service providers in the community;
- Surveying tenants living in three different types of WRH communities (seniors, families and single non-seniors). There were several meetings with the WRH Tenant Council, as well as a meeting with the YouthForce Team. Tenants who did not wish to complete a paper survey were invited to complete an online version of the survey; and

- Inviting participants to provide written feedback via e-mail if they were unable to participate in scheduled consultation events.

In total, more than 200 individuals (including 100 WRH tenants) were consulted through these four strategies.

Based on feedback from very different groups of stakeholders, there emerged some general findings and perceptions:

1. Waterloo Region Housing appears to have a good reputation regarding its management and physical stock, although there is general lack of knowledge and familiarity about WRH.
2. There are a number of perceived strengths of Waterloo Region Housing, noting that the organization was moving in the right direction and has made great improvements in a number of key areas such as asset management and tenant engagement. Staff excellence and the benefits of economies of scale with WRH being the largest community housing provider in Waterloo region were also recognized.
3. There are a number of areas noted for improvement of Waterloo Region Housing, such as WRH's low profile, absence of WRH long term plan, and constraints of being integrated into a Regional corporation. WRH was considered a relatively more expensive provider due to variables such as a unionized workforce and high standards for construction and asset management compared to other community housing providers. Limitations of some of the WRH stock were noted such as age, poor design and other inefficiencies. Other concerns were the perceived uneven distribution of units across the Region, tenant concerns about policies, staffing levels, and stigma of living in WRH communities, and confusion about different staff roles and functions.
4. Despite some of the noted opportunities for improvement, there was a strong feeling among the majority of stakeholders that WRH plays a pivotal role in the community and there are a number of benefits from the Region being a housing provider, such as being a more effective advocate for affordable housing, providing quality housing and supports, helping the Region's most vulnerable citizens, setting a high standard for others, having the potential to be more innovative, and playing an important role in preserving affordable housing stock in Waterloo region.
5. Feedback also included important issues and trends that should be addressed as part of the WRH Master Plan. This would include housing market trends, current and changing tenant needs, integration of support services, other municipal funding pressures, capacity in the non-profit sector for operating and developing housing, capital funding opportunities, and collaboration opportunities with other community partners.

Overall, there was very strong support for WRH creating a 20-year Master Plan, as an important tool to help WRH evolve into an organization that is more efficient, robust and

responsive to the opportunities, challenges and changing needs within Waterloo region. There were many suggestions about what WRH future activities should include, as outlined in the summary document.

When asked about the potential roles WRH could evolve into over the next 20 years:

- There was little to no support for “status quo”, which was perceived as neither feasible nor desirable.
- The option of divesting the entire WRH stock was also not seen as a feasible or desirable solution. There was support for divesting some stock with inefficient use of land or high operating costs if proceeds could be re-invested into the re-development of existing or new WRH communities to replace this loss and help build more affordable housing.
- There was support for WRH to play a larger role as an advocate or facilitator for affordable housing, but there was some confusion whether this should be WRH’s role or the Region’s role as Service Manager.
- There was strong support for WRH to redevelop its existing communities that met certain criteria, with the intent of replacing and increasing the number of units and where more income mixing could occur.
- There was no consensus on whether WRH should build additional communities. Some supported this option while others felt that the non-profit and private sector could do this at a lower cost.

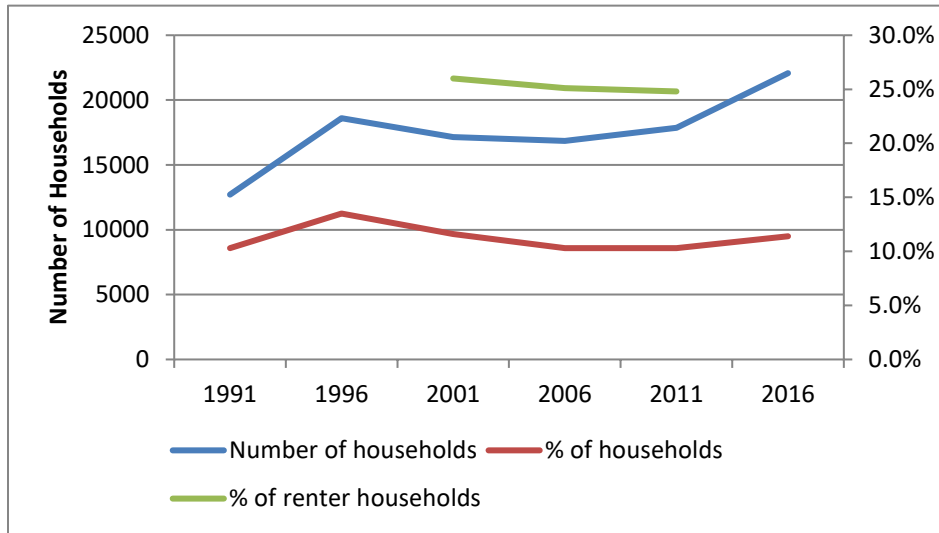
## **4.2 Affordable Housing Need**

Waterloo Region Housing is at a critical point in its history. The demand for community housing and households with complex needs have increased substantially over the past few years. In 2018, just 51% of renter households could afford the average market rent in the region.

### **4.2.1 Measures/Indicators of Housing Need**

A common industry standard measure of the need for affordable housing is to look at the number or percentage of households Core Housing Need, which is an indicator created by Statistics Canada using census data. A household is in Core Housing Need if its housing is: not adequate (needs major repairs); is not suitable (not enough room for the size of the household); or is not affordable ( $\geq 30\%$  of income spent on housing), and would therefore have to spend 30% or more of its income to pay the median rent of local housing that is adequate and acceptable housing. This indicator determines how many people are living in unaffordable or unsuitable conditions due to limited means, and therefore are in precarious housing circumstances. This increases the risk of homelessness for these households. See Figure 1 below to see trends over time.

**Figure 1: Core Housing Need in Kitchener-Cambridge-Waterloo CMA**



Source: Canada Mortgage and Housing Corporation (CMHC) and Statistics Canada, Census of Population 2016

In Waterloo region from 2011 to 2016, there was a 25% increase in the number of households in Core Housing Need<sup>9,10</sup> going from 17,855 in 2011 to 22,250 in 2018. This represents 11% of all the households in the Region. Kitchener has the highest percentage of those living in Core Housing Need at 13.5% of all households. The Census of 2016 shows that:

- The vast majority of those living in Core Housing Need are renters (73%); and
- Lone parents, single and couple seniors, Indigenous and newcomers to Canada were the most likely to experience Core Housing Need.

With increasing numbers of households living in Core Housing Need, the Region is also experiencing low vacancy rates, especially in Cambridge as well as for 3+bedroom units. This indicates that it is more difficult for renters to find a place to live due to a limited supply, which leads to increases in rents. Table 2 below illustrates the vacancy rates in Waterloo region by unit type. Since 2013, the vacancy rate for Waterloo region has been below three per cent. However, in 2018 the vacancy rate increased a full per cent to 2.9%, partially due to the creation of over 6,000 new rental units added in the last three years. A vacancy rate of three percent is considered to be the most desirable.

<sup>9</sup> Households in Core Housing Need pay more than 30% of their income on shelter AND that shelter does not meet one or more of the adequacy, suitability, or affordability standards

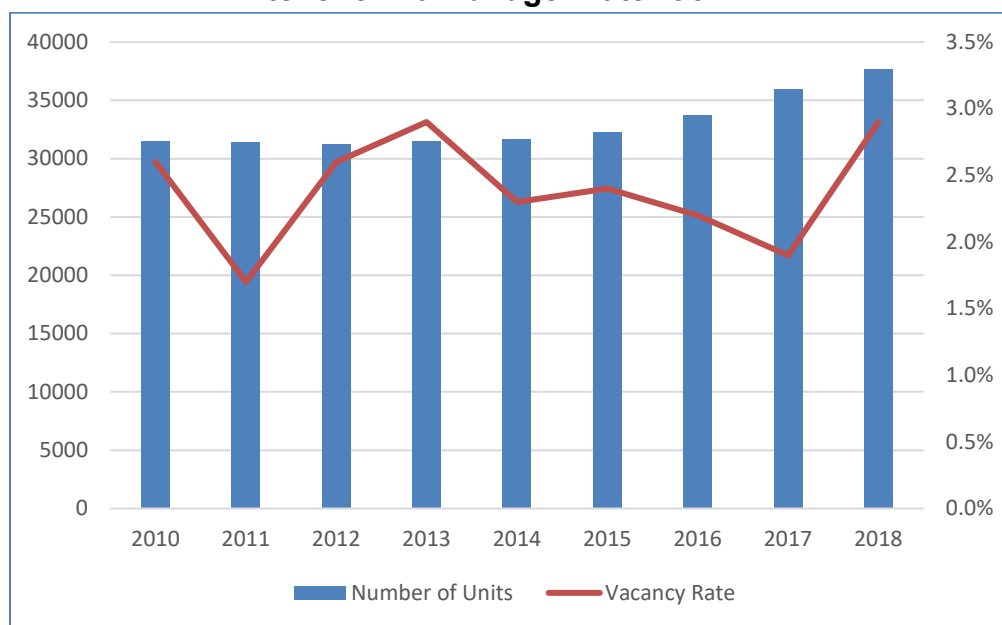
<sup>10</sup> Source: Prepared by Research, Evaluation & Reporting Unit, Housing Policy Branch, Housing Division, Ministry of Municipal Affairs and Housing. *Common Local Indicators for Service Managers*. May 2019

**Table 2: 2018 Vacancy Rates by Service Manager and Census Subdivision<sup>11</sup>**

Geography	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
Regional Municipality of Waterloo (RofW)	2.5%	2.9%	3.1%	1.7%	2.9%
Cambridge CY	**	1.4%	1.4%	2.9%	1.5%
Kitchener CY	2.5%	3.9%	3.2%	1.5%	3.3%
Waterloo CY	**	1.6%	4.2%	**	3.1%
Wilmot TP	**	0.0%	0.0%	3.2%	0.6%
Woolwich TP	**	**	**	**	2.8%

\*\*Data suppressed due to statistical reliability or confidentiality, or data not available from source.

**Figure 2: Number of Rental Units and Vacancy Rates in Kitchener-Cambridge-Waterloo CMA**

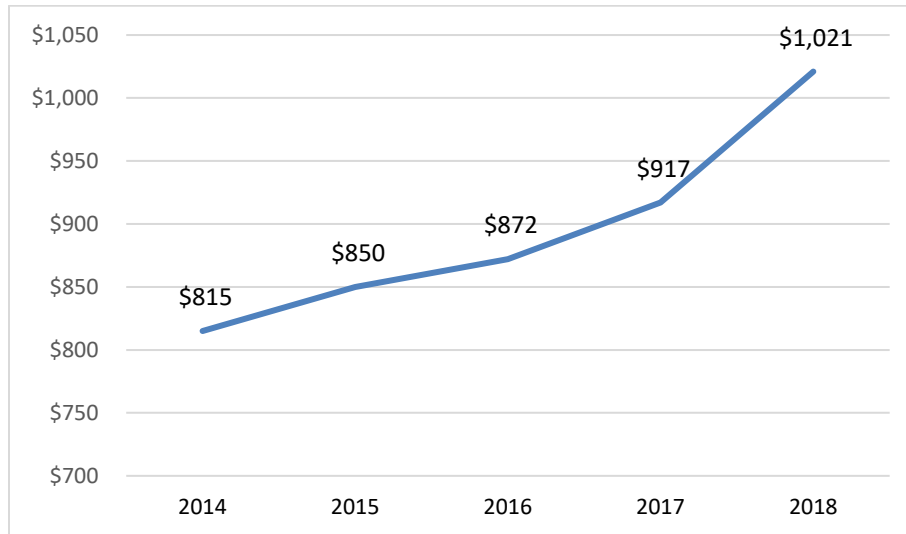


Source: Canada Mortgage and Housing Corporation (CMHC) and Statistics Canada, Census of Population 2016

Similarly, average market rents have also steadily increased in Waterloo region (see Figure 3) since 2014. This is particularly pronounced in 2017/2018, when average rents for a one-bedroom unit increased from \$917 in 2017 to \$1,021 in 2018, which is an increase of 11 per cent. In contrast, inflation for 2017 was 1.6 per cent. It should be noted that the Township of Wellesley is not captured in these figures, as per the Canada Mortgage and Housing Corporation (CMHC) Rental Market Reports.

<sup>11</sup> Source: Canada Mortgage and Housing Corporation (CMHC) Rental Market Survey 2018. For purpose-built apartment structures of 3 or more units  
3122588

**Figure 3: Average Market Rents for One-Bedroom Units**



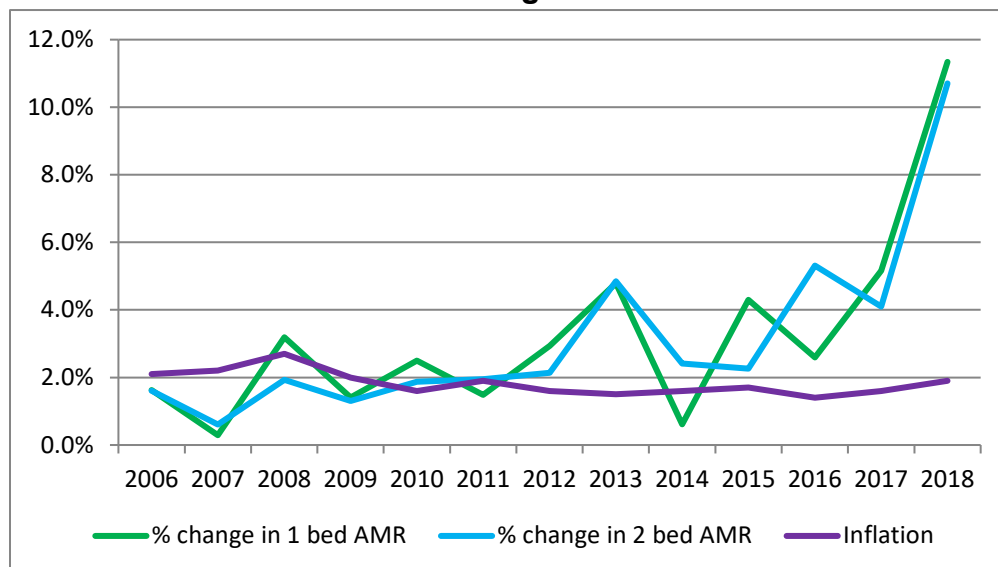
Source: Kitchener-Waterloo and Cambridge Association of Realtors

There have been new rental buildings built; however, the rents are typically much higher than the average market rent. Table 3 below illustrates:

**Table 3: Average Market Rents for Units Built Since 2005<sup>12</sup>**

	1 Bed	2 Bed	3+ Bed
Avg. Market Rent*	\$1,021	\$1,210	\$1,254
Units Built 2005+*	\$1,091	\$1,358	N/A
New Market Rents+	\$1,200 - \$1,500	\$1,400 - \$1,800	N/A

**Figure 4: Percent Change in Average Market Rent for 1 or 2 Bedroom Units in Kitchener-Cambridge-Waterloo CMA**



Source: CMHC Rental Market Reports; Statistics Canada, Consumer Price Index statistics

<sup>12</sup> Source: CMHC (2017) Rental Market Report; + Kijiji Listings for new apartment buildings (March 2018)  
3122588

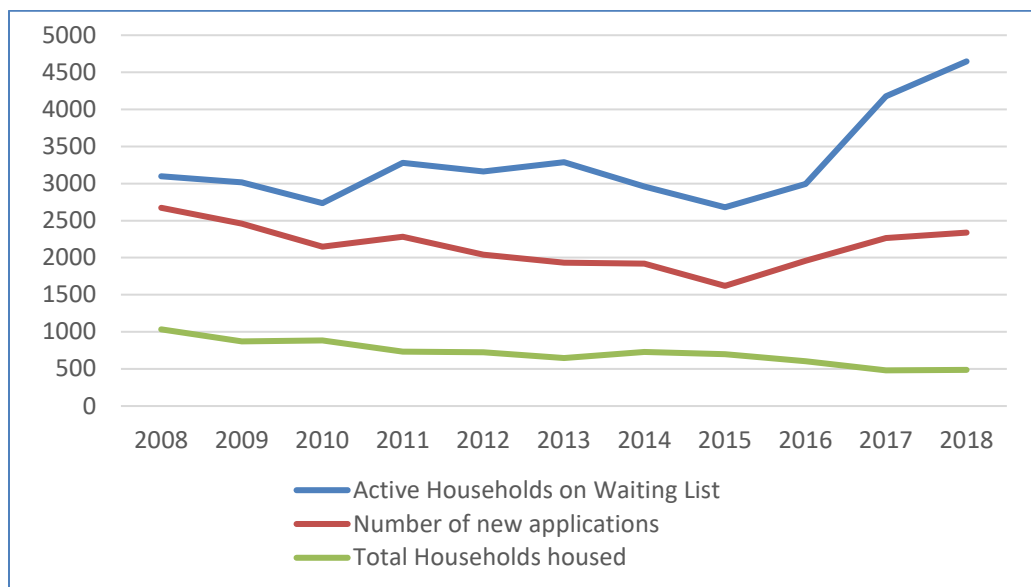
Ninety-two percent of rental apartment units in Waterloo region are one and two bedrooms. During 2016 and 2017 there was a marked increase in the number of refugees and economic immigrants with large families arriving in the area (1,920 refugees arrived in 2016<sup>13</sup>), thus putting additional pressure on the rental market for larger unit sizes.

Moreover, the combination of the increase in Core Housing Need, increase in rent prices, decrease in vacancy rates and the changing demographics of people seeking affordable units has resulted in significant pressure on community housing and homelessness waitlists.

### 4.3 Coordinated Housing Access System

Another way to measure a more specific aspect of affordable housing need is to look at the Coordinated Housing Access System, which each Service Manager is required to operate. This list gives an idea of the number of households that apply to live in community housing. Figure 4 below shows for Waterloo region the number of households on the waiting list, the number of new applications each year, as well as the number of households that move into community housing each year.

**Figure 5: Community Housing Waiting List Statistics**



Source: Annual Waiting List Statistics from Yardi in DOCS1558421

Since 2007, there was a downward trend in the number of new applications until 2015, at which time the number of new applications increased and continues to increase to 2019. Over the same time period, the number of households on the list who are housed each year continues on a downward trend (lower vacancy rates). This indicates that there are fewer turnovers in community housing.

Once people secure a home in community housing, they are less likely to move on. This is most likely due to the lack of suitable and affordable housing available in the private market and because no new units are being added to the community housing stock. As

<sup>13</sup> Waterloo Region Immigration Partnership. 2019. Waterloo Region Immigration Profile. 3122588

a result, fewer households are being taken off the waitlist each year, which increases wait times for community housing. Table 4 below shows the changes in average wait times between 2011 and 2017.

**Table 4: Average Wait Times for Community Housing, Waterloo region 2011-2017**

Household Type	2011	2017	% increase
Seniors, 1-bed	1.3 years	3 years	127%
Non-senior, 1-bed	3.8 years	7.9 years	110%
Non-senior, 2-3 bed	1.8 years	2.8 years	52%
Non-senior, 4+ bed	2.1 years	3.5 years	68%

Source: Region of Waterloo Housing Services

Non-senior households requiring a one-bedroom unit have historically had and continue to have the longest wait time, at just under eight years on average. The wait time for seniors has increased by the greatest percentage since 2011 (127%).

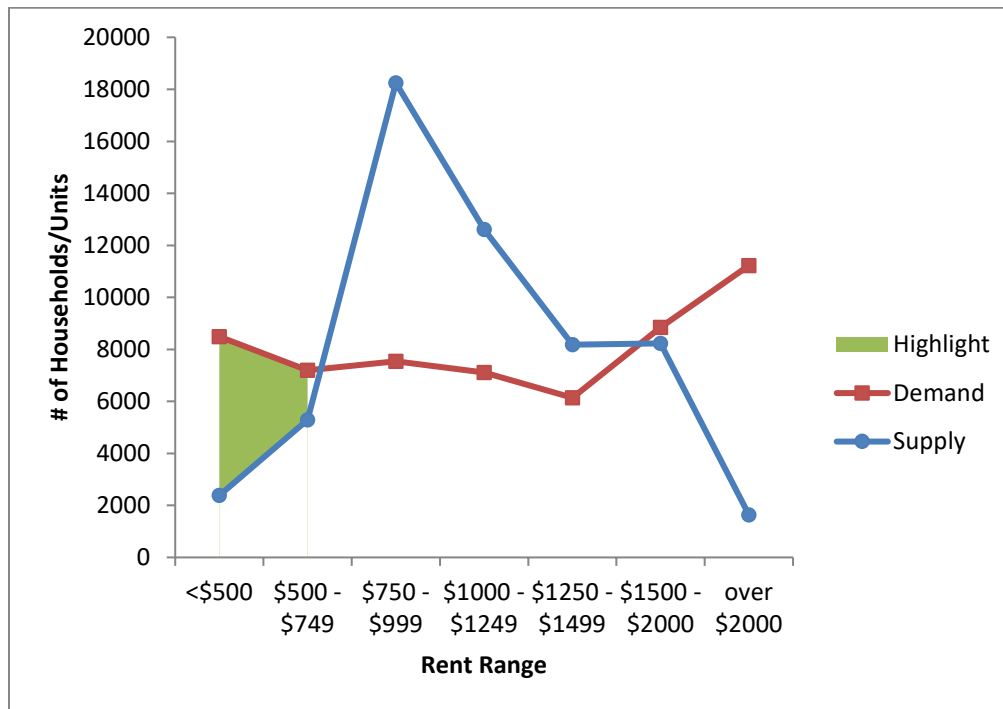
#### 4.4 Rental Housing Gap

The Coordinated Access System only provides information on one part of housing need, because not every household that could benefit from affordable housing will apply for community housing largely due to the size of the waitlist and length of the wait times. Looking at the supply and demand of affordable rental housing can help to give a broader sense of the number of households that are in need of affordable housing, but may not be applying to community housing.

One way the demand for affordable rental housing can be determined is to look at the number of renter households that are not in subsidized housing and are living with an income that requires a certain rent range to be affordable. For example, a household with an income of \$20,000 to \$30,000 would require a unit with a rent between \$500 and \$750 (30% of income on rent) to be considered affordable.

The number of non-subsidized renter households in that income range then represents the demand for rental units in that price range. Similarly, the supply of affordable units in that rent range can be determined by the number of non-subsidized renter households that have units in that rental range, no matter what their income may be. The rental gap is then the difference between the demand and supply of units. Figure 5 below shows the rental housing gap for households at the lower end of income.

**Figure 6: Rental Housing Gap at the Low-End-of-Income**



Source: Canada Mortgage and Housing Corporation (CMHC) and Statistics Canada Census of Population 2016

There are 8,490 households in Waterloo region living with an income that requires a unit in the < \$500 rent range and there are 2,380 units available. There are 7,195 households living with an income that requires a unit in the \$500-\$750 range and there are 5,290 units available. The total gap in the supply of units for households at the lower end of income is 8,015.

Together these numbers and figures indicate that there is an increasing need for affordable housing in our community – to address the back log and to ensure housing for those who will make Waterloo region their home in the future.

## 4.5 Service Drivers

### 4.5.1 Population Growth

Waterloo region has a population of 601,220, up from 507,096 in 2011, which is an increase of 19%. According to current population projections, Waterloo region will be home to an additional 140,780 households by 2041. This is approximately 6,700 households per year. Currently, 4.8% of the occupied households in Waterloo region live in Community Housing. If this percentage remains the same, 154 of the 6,700 households arriving in Waterloo region each year will require community housing. In other words, as the population grows, the number of community housing units will need to increase to maintain the same percentage.

## 4.5.2 Demographics

Since 2011, 14,000 immigrants and refugees have arrived in the Region. They are arriving from multiple countries around the world, but most are coming from China, Syria, and India<sup>14</sup>. In 2015, recent immigrants' median employment income was \$25,122 compared to \$37,380 for those who were born in Canada. If using the Market Based Measure (MBM) of low-income<sup>15</sup>, the proportion of recent immigrants living below the MBM was 33%<sup>16</sup>. Anyone living below the MBM would qualify for community housing.

Other demographics are driving demand for affordable housing, including:

- 16% of families are lone parent families, an increase of 11.5% since 2011. Their median after-tax income was \$50,844 compared to \$111,133 for couple families with children<sup>17</sup>
- 15% of the population is currently over the age of 65, 10% of them live in low-income (LIM-After Tax). By 2041, 25% of the population will be over the age of 65 and the proportion of those living in low-income is expected to grow.
- 15% of children under age 17 are in low-income households (LIM-After Tax)
- Less than 2% of the total affordable housing units within our community are 4 or 5+ bedroom units, excluding units owned by WRH
- 8% of the total number of WRH units are 4 or 5+ bedroom units

In 2016, as part of the Federal government Syrian refugee resettlement initiative, Kitchener became one of 36 chosen communities for resettling the Syrian refugees. A total of 1,920 refugees and protected persons arrived in Kitchener that year, the highest number of all permanent resident categories. With this influx of refugees, came an increased proportion of large families requiring units with more bedrooms.

## 4.5.3 Income

The median total income of households in Waterloo region rose by 1.6% from 2005 to 2015 (\$76,327 to \$77,530) while at the same time, by 2015, 11.5% of people were living below the low-income measure (LIM). Over that same time period, the total average market rent per month in Kitchener-Cambridge-Waterloo CMA according to CMHC rose by 22.2% (\$775-\$947). So the cost of rent has been increasing more quickly than people's incomes and faster than inflation which rose 17%. This creates more demand for affordable housing or community housing.

## 4.5.4 Real Estate

The cost of housing, either rental or ownership, is increasing in Waterloo region. As seen in the previous section, it is rising more quickly than median family income. For

---

<sup>14</sup> Wellbeing-Waterloo Region, 2019. Waterloo Region Community Well-being Survey. A Prompt for Discussion.

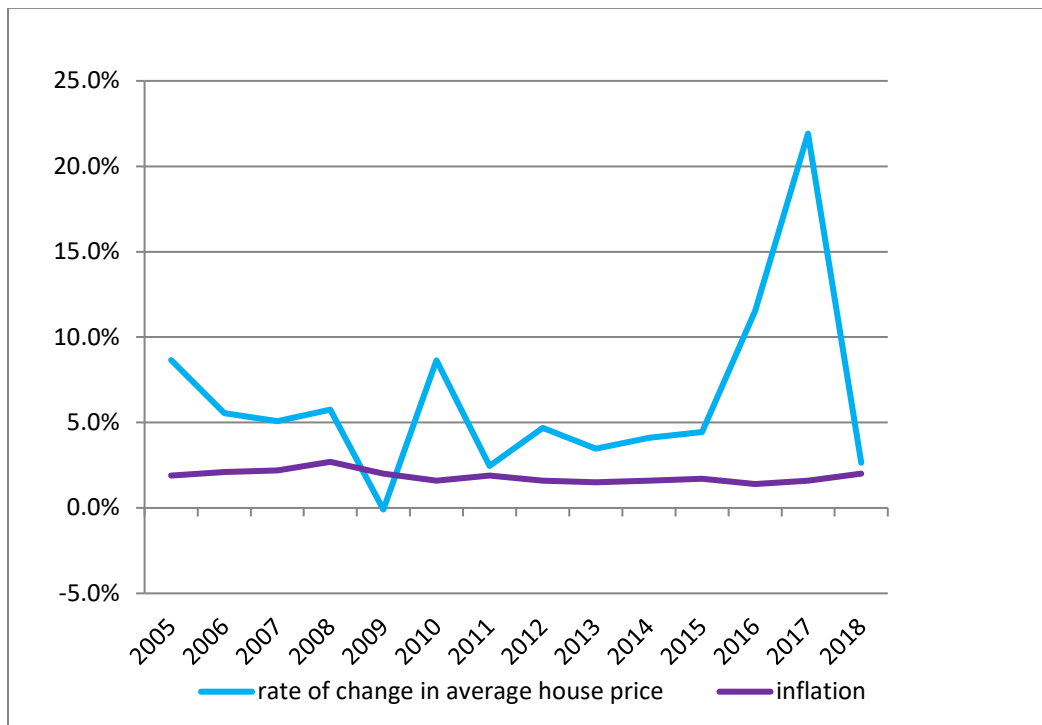
<sup>15</sup> The Market Basket Measure (MBM) is a measure of low-income based on the cost of a specified basket of goods and services representing a modest, basic standard of living. In 2018, as part of Canada's Poverty Reduction Strategy, the MBM was chosen as Canada's Official Poverty Line

<sup>16</sup> Waterloo Region Local Immigration Partnership, 2019. Waterloo Region Immigration Profile.

<sup>17</sup> Statistics Canada, Census Profile, 2016 Census.

instance, the average cost of a single detached dwelling in Waterloo region was \$618,186 in June of 2019 compared to \$521,221 in 2017, a 19% increase in 2 years. The average for all housing types was \$533,619. Apartment condominiums are less expensive but are averaging \$332,716<sup>18</sup>. As the following figure illustrates, housing prices have been rising much more rapidly than inflation. When the cost of housing rises more quickly than income and/or inflation, more pressure is felt in the community housing system as more households need to access it.

**Figure 7: Percent Change in Average Re-Sale House Price in Waterloo region**



Sources:

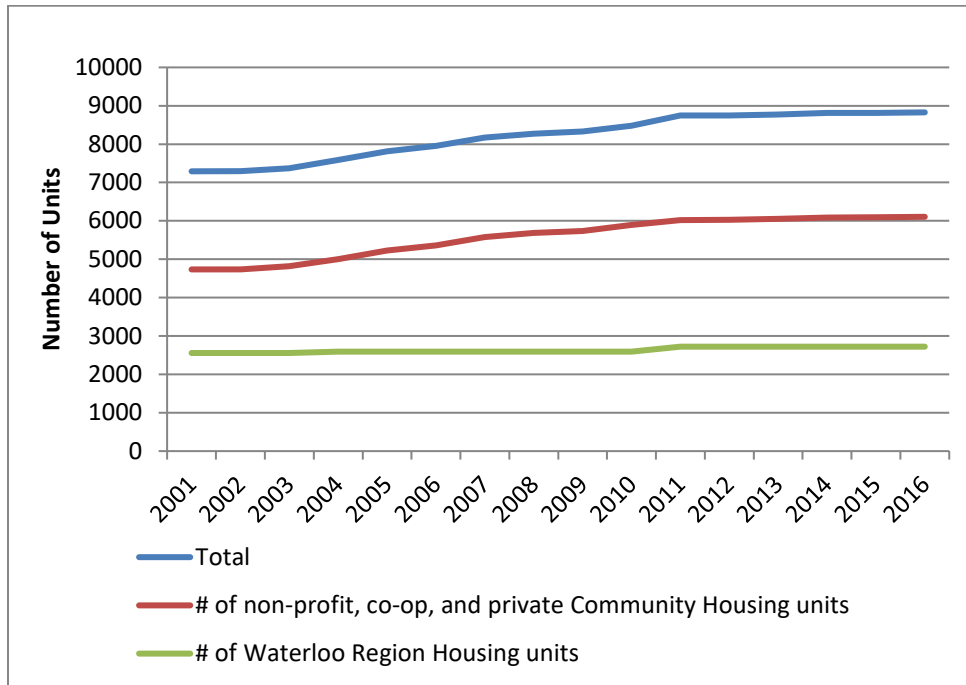
Kitchener-Waterloo Association of Realtors (2005-2017); Statistics Canada Consumer Price Index statistics

#### 4.6 Not-for-Profit/Co-operative Affordable Housing Sector

The community housing sector has also been adding new units each year. From 2003 to 2018, a total of 1,532 new community housing units were built, which is an average of approximately 96 units each year. These 1,532 were assisted through Federal, Provincial and Regional capital funding. Waterloo region Housing currently owns and operates approximately one-third of the existing community housing stock.

<sup>18</sup> Kitchener-Waterloo Association of Realtors, 2019. <http://creastats.crea.ca/kitic/> 3122588

**Figure 8: Community Housing Units in Kitchener-Cambridge-Waterloo CMA**



Source: Region of Waterloo, Housing Services

Similar to market rental housing, the increase in non-profit and co-op housing supply has not kept pace with the increase in demand, which in the previous section was illustrated by the yearly increase in the number of applications to the waitlist for community housing.

Based on the above information, population growth, and results from the stakeholder consultation it was determined that adding a minimum of 600 units to the current supply would be required. In order to keep pace with actual need, an additional 400 would be needed.

As mentioned above, three categories or strategies were identified that would fulfill the goals of WRH: 1) Develop/Intensify; 2) Maintain; and 3) Divest.

#### **4.7 Private Development Interest & Capacity (Current & Future Picture)**

Many jurisdictions across Canada have taken different approaches to building community housing through public-private partnerships. Some have established partnerships with several organizations including developers, financial institutions, other social service providers, non-profits, co-ops, indigenous organizations and local municipalities. The benefits of these kinds of partnerships are numerous including greater access to resources, more holistic approaches to identifying and solving issues and gaining insight and knowledge of opportunities and challenges that had not otherwise been anticipated. There are some challenges however, depending on the type of partnership that is established such as potential imbalances in who has control

of the funding, who is accountable for ensuring all tasks are completed, as well as ethical issues related to differing values.

#### **4.8 Investments in Renewable Energy Retrofits**

There is a significant opportunity for low carbon investment in the revitalization/ redevelopment of WRH community housing portfolio as the stock continues to age. The current policy context within the Region and Federally identifies the community housing sector as one of the key sectors for improving efforts to reduce energy consumption and green house gas emissions. Corporate Strategic Plan Objective 3.3 states that the Region will “reduce greenhouse gas emissions and improve air quality”. Other municipalities have achieved this by the inclusion of geothermal and solar air heating, photovoltaic electricity systems, and attaining the LEED certification as the Region did in 2010 at the Sunnyside campus or in Windsor-Essex with their current redevelopment using the “passive house” model. (see page 23)

### **5. Methodology for Assessing WRH Communities**

#### **5.1 Assessing the Current WRH Communities**

Three levels of staff groups were formed to create the WRH Master Plan. The first was a multi-disciplinary staff team that was primarily responsible for the day-to-day tasks including: research, consultation, analysis and the design of the assessment tools. As part of their involvement in this project, this team also developed specific tools for assessing the communities including an evaluation matrix, financial costing tool, building site summaries, and projected construction schedule for construction project completion for each of the communities. These were key components for the development of a decision-making framework.

The second staff group was the Corporate Advisory Committee (CAC), which included the Region of Waterloo executive leadership team and senior management. The primary role of the CAC was to advise staff in the development of the Master Plan.

The third group was a Master Plan Steering Committee. The Steering Committee is comprised of members of Regional Council as well as staff from WRH, Housing Services, Facilities Management, Finance, Legal, and the Immigration Partnership. The Steering Committee met regularly, and helped in the hiring of a consultant, the community consultation process, setting goals associated with the Master Plan and the approval of the final outcomes within the three strategic categories of the Plan.

A series of evaluation tools were developed and used to assess the 65 WRH communities in order to prioritize them into three strategic categories.

#### **5.2 Evaluation Matrix**

To assess WRH’s housing sites and determine the order in which they are prioritized within each of the three strategic categories, an evaluation matrix was developed by the multi-disciplinary staff team, which utilized key attributes to reflect current

circumstances. The matrix (see Appendix B) focuses on optimizing land use, positive community impacts, current building site conditions, financial implications and the potential for redevelopment. It also scores for zoning, density and suitability with local municipal and regional official plans.

More specifically, the following factors were included in the evaluation of each of the sites:

- **Potential Unit Yield** does not factor into the scoring system, but provides an estimated number of total units permitted under the current/draft zoning by-law. Detailed analyses have been completed on all 65 sites.
- **Physical Building Condition** is scored higher if the building is in poor physical condition. Building conditions are scored out of 5.
- **Neighbourhood Factor** relates to fit of the proposed building with the local neighbourhood (type of housing), and supports area municipal and regional planning objectives (i.e. an area of transition, easy access to an ION station (within 5-minute walk), part of a campus, add social or support services to the broader community and other community amenities.
- **Site Waitlist** is based on the number of households on the waiting list for that site. The more households on the waiting list suggests a greater interest and demand for the building site, which results in a higher score. Scores for this factor are out of 2 (10+ households waiting is a score of 2, under 10 households waiting scores 1).
- **Tenant Factor** looks at impact of the redevelopment on the tenants who live there. It also takes into account the type of households (seniors, families, single adults) that will need to move from the site, the type of housing (i.e. bedroom counts, as it is more difficult to find/relocate to 4+ bedroom units), and the potential disruption (i.e. disturbed community balance, children needing to relocate to different schools, proximity to other supports or services). The score for this factor is out of 7.

**Financial Factors** take into consideration the physical condition of the building, 10-year capital costs of renewal, maintenance costs and the anticipated expiration of mortgages, based on specific expiry dates between 2019 and 2023. With the goal to create 600 new affordable housing units, the evaluation matrix automatically ranks and categorizes all 65 WRH sites.

Both favourability factors and certain risks that require further consideration were also included in the evaluation matrix. Specifically, the favourability factors include:

- **Good Development Yield**, which is the size of the development, renders a very good result in total new units created versus the amount of original units on the site.

- **Public Private Development Partnerships**, which involves working with private sector developers to jointly create various types of housing that can generate new revenue streams.
- **Economic Development Strategies**, where the development will bring new employment opportunities and/or skill development for tenants.
- **Community Needs**, where the development has onsite space and services and can address current community service and support needs with more purposeful amenity space.
- **Corporate/Regional Priorities**, when the development aligns with current Corporate/Regional strategic planning goals.

The results from the matrix are presented in both a spreadsheet format (Appendix B) and in one-page building site summaries (WRH Housing Portfolio, Appendix C). All of the data is presented as of 2019, is captured at a point in time and is subject to change as projections are further developed.

### 5.3 Financial Costing Tool

To support the development of the WRH Master Plan, and because of the potential significant costs associated, a detailed costing tool was developed, which was used to further analyze the top rated 15 communities<sup>19</sup>. A cost consultant (BTY) provided construction estimates including contingencies that would be borne by a General Contractor (hereafter, GC) to deliver the work. Both hard and soft costs are included such as all building construction costs by unit type, planning approvals, permits, furniture/equipment, tenant relocation, consulting services, HST and other allowances.

The construction estimates are only a portion of the overall project estimates. Region Facilities staff have provided for the balance of costs anticipated for Regionally managed construction projects including allowances and contingencies exclusive of the construction budget. Combined, these estimates form an overall project budget.

Cost metrics are presented including cost per number of bedrooms by housing type (i.e. apartment, row house, or townhome). (See Appendix E) All of the cost metrics and projected budgets are presented at a point in time and are subject to change over time.

An operating summary for each property is provided, which includes:

- Housing rent revenues
- Non-rent revenues (i.e. coin laundry, commercial rent, parking, etc.)
- Operating expenses such as utilities, service contracts, maintenance costs, etc.
- Financing costs related to debentures and mortgages

---

<sup>19</sup> The top 15 communities were chosen as they were the highest scoring sites on the evaluation matrix.  
3122588

## **5.4 Building Site Summaries**

The building site summaries provide a one-page synopsis, photo and map of each of the communities with the evaluation matrix factors listed as well as the 2018 operating costs. These are contained in a catalogue named WRH Housing Portfolio in Appendix C.

Once the tools were completed and all 65 communities were analyzed, the multi-disciplinary staff team was able to begin the strategic categorization process.

## **5.5. Estimated Construction Schedule Tool**

Based on the experience of in-house Region of Waterloo staff and local housing developers, estimated construction schedules were assembled for the shortlisted WRH sites to depict project timeline for each individual scenario and better inform all decisions moving forward (see Appendix H). These schedules were compiled in a Gantt Chart using Microsoft Project and include overlaps between the construction and design phases of successive redevelopments such that construction begins at one site as construction is completed on the subsequent site.

## **6. Overall Goals, Strategic Categories and Options**

In the initial stages of the development of the Master Plan, the Steering Committee established a set of goals and general strategic directions. They included the following:

- 1) There is a need for more affordable housing within Waterloo region.
- 2) The Region should play a significant role as a community housing provider (WRH) because of the high standards and quality of housing it provides.
- 3) The Region, through WRH, should continue to strive to maintain approximately 30% of the overall amount of community housing offered in Waterloo region. This will ensure that the Region through WRH continues to be the leader when providing high-quality, safe and well-maintained housing options for the most vulnerable and marginalized populations. This will also ensure that the Region, through WRH, has direct control in maintaining a minimum of 30% of the overall service level standard.
- 4) With the steady growth in the housing market and the increasing demand for affordable housing in Waterloo region, WRH will also be required to intensify its own stock by a minimum of 600 units to keep pace and hold its 30% portion of the overall community housing stock.
- 5) WRH will need to intensify on some of its current sites (65 total) in order to create a minimum of 600 new affordable housing units.

- 6) WRH should not be a mechanism to develop housing on new sites beyond the 65 it currently owns because there are more cost-effective ways to achieve this that have and can be achieved by others. In other words, allow the Service Manager to facilitate the non-profit, co-operative and private sector to continue to develop affordable housing on new sites.

The staff team, the CAC and the Steering Committee were also informed by the results of the stakeholder consultation as outlined in Section 4.1. It was made clear by nearly all stakeholders that the status quo for WRH is not an option.

Overall, there was compelling consensus for the expansion and redevelopment of WRH sites within its existing 65 communities. In other words, the Steering Committee recognized and decided that WRH should maintain its 30% proportion of the overall community housing sector within our community.

### **6.1 Current Key Goals and Strategic Directions**

Near the end of the two-year process, the Steering Committee established a secondary set of key goals and strategic directions for the Master Plan, as follows:

- 1) Ensure the long-term sustainability both from a financial, environmental and physical perspective for all of the WRH community housing portfolio.
- 2) Establish a divestment decision-making strategy that could create opportunities for possible savings and/or revenue as well as potential service partnerships.
- 3) Meet the enumerated goals and objectives of the Region of Waterloo's Strategic Plan, and the Service Manager's 10-Year Housing and Homelessness Plan<sup>20</sup>.

With these key goals in mind, the multi-disciplinary staff team developed the evaluation matrix and the financial costing tool as explained in Section 5. Each of the 65 sites were assessed and scored (see Appendix B for results of the Evaluation Matrix) and fifteen of the top-scoring sites were chosen. The Estimated Construction Schedule tool was also applied to obtain an approximate of the time it would take to complete construction. The multi-disciplinary staff team in collaboration with the CAC and the Steering Committee, then, organized the 15 sites into three main categories that would fulfill all of the goals and strategic directions that had been identified.

**Strategic Category 1:** Intensify/Revitalization WRH Communities

**Strategic Category 2:** Maintaining the Current WRH Stock

**Strategic Category 3:** Potential Divestment Decision Framework

---

<sup>20</sup> [www.regionofwaterloo.ca/WRHmasterplan](http://www.regionofwaterloo.ca/WRHmasterplan)  
3122588

## 6.2 Strategic Category 1: Intensify/Redevelop WRH Communities

To continue to address the growing demand for affordable housing units in Waterloo region and in consideration of the projected rise in the population growth, the Service Manager estimated that 155 units will need to be constructed every year from now until 2038. Since 2003, the Service Manager facilitated the development of new affordable housing units through the private sector, non-profits and co-ops. Through this process, approximately 96 units were created annually, while WRH was only able to contribute an additional 4 units per year in the same 16-year time period. This created a 55-unit per year shortfall for the Service Manager when attempting to keep up with the population growth and the demand of more affordable housing in Waterloo region.

The Steering Committee, then, calculated that if the population of Waterloo region meets its projected population growth by 2038, it would mean that WRH would need to create 1,100 new affordable housing units in order to maintain its 30% proportionality (55 units per year for 20 years). This is based on two assumptions: 1) that the demand for affordable housing would continue at its current pace and require that 5% of all housing in Waterloo region be affordable; and 2) the overall population growth of the Region would continue at its projected rate of increase.

Given these two assumptions, the Steering Committee decided that it would be prudent for WRH to create a minimum of 55 new units per year in the first 11 years at a total of approximately 600 units. Accordingly, the Master Plan focuses the intensification of WRH housing in the first half of the 20 years so that there is an opportunity to review and confirm the two assumptions listed above at the end of the 11 years.

From the 15 communities, six different scenarios were presented to illustrate how WRH could utilize its top scoring communities to create an additional 600 affordable housing units. Each scenario included the total projected project costs, the total development timeline, and the overall net tax levy. The six scenarios include:

1. **Municipal Representation:** the representation of new affordable housing units in Kitchener, Cambridge and Waterloo.
2. **Least Amount of Impact on Communities and Tenants:** tenant relocation is not required, condominium development is not anticipated and construction times will be reduced
3. **Easiest to Build:** the developments will not include condominiums through public-private partnership and will be one of the quickest options to building 600 new affordable housing units.
4. **Community Needs Based:** current waitlist for these communities are long and the Region already has brokered services in each of the communities where it would best meet the needs of the tenants
5. **Along the Central Transit Corridor (ION station):** within 15-minute walk to an ION station.
6. **Most Cost Effective:** it is the least expensive per unit and includes communities with the lowest cost to get to 600 units.

All six potential scenarios with financial data and the various pros and cons were reviewed by the Steering Committee and the multi-disciplinary staff team to determine which scenario would be best suited to accomplish the goal of creating the 600 new affordable housing units within WRH through revitalization. (see Appendix I: The Six Redevelopment Scenarios)

As a result of this discussion, the Steering Committee chose Scenario 4: Community Needs. They renamed this the **WRH Revitalization Strategy**. It was selected based on the fact that it will meet a number of current and emerging community needs, is estimated to be an 11-year project (approximately January 2020 to February 2031), and proposes the development of 638 new affordable housing units on five existing WRH sites in Kitchener, Cambridge, and Waterloo as illustrated in Table 5.

**Table 5: WRH Revitalization Strategy Projects**

<b>Address</b>	<b>Total Number of Proposed Units</b>	<b>Current Units per Site</b>	<b>Increase in Units</b>
416 Kingscourt, Waterloo	70	0	70
82 Wilson, Kitchener	48	16	32
Mooregate, Kitchener	476	55	421
140 Weber St., Kitchener	54	35	19
Langs, Cambridge	134	38	96
<b>Total:</b>	<b>782</b>	<b>144</b>	<b>638</b>

The Steering Committee recognized that waitlists in the above listed communities are currently long and the construction time is not overly extensive compared to others. Furthermore, each municipality will benefit from this redevelopment.

It was further acknowledged that there are several existing and brokered services within these communities, which could be expanded upon by way of this revitalization through public-private partnerships. For example, Wilson currently has some Seniors services available which could be significantly enhanced. Weber is already a supportive housing community which serves individuals experiencing mental illness and addictions in partnership with two local agencies. With revitalization, these services could serve more individuals. Langs is located next to a Community Health Centre which presents an opportunity for a potential partnership with primary care and community health services. Two of the sites do not require demolition which would significantly reduce the impact on current tenants.

### **6.2.1 Redevelopment Project Approach**

There are numerous approaches to redevelopment that the multi-disciplinary project team explored through a secondary environmental scan. Predominantly, the two major approaches to revitalization that most community housing providers have undergone are: 1) a traditional Design-Bid-Build approach; and 2) a Design-Build-Finance approach that requires a private-public partnership.

#### **Design-Bid-Build (DBB) Approach**

In this approach to redevelopment, the design is typically funded and completed first and then a public tender process is undertaken to secure the contractor to construct the project. Often, the funding of the construction is provided in a phased approach until completion of the development. This approach requires a complete financing model to be in place prior to the commencement of the procurement process. The majority of the responsibility and associated risks for the design, construction and financing remains with the owner of the asset. In the context of affordable housing redevelopment, this approach would allow for full control in creating additional affordable housing within the shortest planned period of time and using the least amount of communities to do so.

#### **Design-Build-Finance (DBF) Approach**

The Design-Build-Finance approach calls for a private-public partnership to be put in place. The DBF model combines various aspects of the project under one contract. Furthermore, payments for construction are made only upon substantial completion of the project. This model transfers the responsibilities and associated risks for the design, construction and financing to the private sector. The private sector is incentivized by being given parcels of publically owned land for the purposes of for-profit development in exchange for also developing affordable housing. Private-public partnerships often render a lower upfront development cost but also require more communities/buildings to be leveraged to achieve affordable housing net gains. Here, WRH would be giving up control of the overall ability to create only affordable housing units in its communities. In other words, it would take more communities and impact more tenants through this model, which potentially offsets the lower upfront development costs and extends the timeline to create more affordable housing.

The multi-disciplinary team ultimately recommended that the Region take a “Design-Bid-Build” approach for the redevelopment of the selected communities, subject to Council approval. This approach consists of three sequential phases:

- a) Design Phase: The Region will retain the architect and collaborate with them to develop construction drawings and technical specifications according to the Region’s needs
- b) Tendering (Bid) Phase: General contractors will bid on the project
- c) Construction Phase; Contractor manages the construction project(s) and daily activities on each site.

However, through its divestment framework, WRH reserves the opportunity to explore potential private-public partnerships.

### **6.2.2 The WRH Revitalization Strategy Team**

A Revitalization Strategy Team will be created to implement the WRH Revitalization Strategy, which will include the hiring of four staff. Staff requirements will be requested through a Budget Issue Paper.

Housing Services will require 2 additional Full-Time Equivalent (FTE) positions. Activities of each new position will include the following:

#### Community Revitalization Specialist (1 Full-Time Position)

- Communicate with tenants on items related to the redevelopment
- Relocate tenants prior to construction if required
- Obtain input on building and site designs to ensure they meet tenants' needs,
- Coordinate moving tenants into the new units once they are completed
- Address tenant concerns once the move-in has been concluded

#### Planner/Coordinator (1 Full-Time Position)

- Work directly with consultants and Area Municipalities to obtain planning approvals for each proposal
- Complete all National Housing Strategy applications and/or other funding applications in collaboration with Finance and ensure any required reporting is submitted
- Coordinate internal and external processes for delivery of the Master Plan
- Report to management on progress

Facilities Management (FM) staff will be responsible for the “hard” aspects of the redevelopments, including: (2 Full-Time Project Management Positions)

- Manage each intensification project, applying project management rigor to organizing and coordinating the work packages as the Owner
- Lead procurements and administer contracts with consultants, general contractors and third party specialists
- Assess building and site designs to ensure they meet Region standards and requirements for affordable housing buildings
- Monitor and manage performance of the various project level measures (e.g. budget tracking, schedule alignment, scope management)
- Oversee the capital program, working with WRH to ensure the most effective development and construction strategies (e.g. procurement models, consolidating and organizing/prioritizing various project and program phases and procurements where effective)
- Perform stakeholder management functions, including overseeing communication plans and ensuring the various voices are heard and needs are addressed

- Reporting to Regional Council on progress

Once delivery of the Master Plan has been substantially completed, the 2 WRH FTE positions would be re-evaluated subject to ongoing tenant engagement and planning needs. The 2 Facilities Project Management positions would also be re-evaluated contingent on the overall capital program. Staff from other departments will also be involved including Finance and Procurement to create and monitor capital and operating budgets as well as hiring other consultants and external companies as required.

### **6.2.3. Financial Implications**

The recommended revitalization strategy proposes the redevelopment of five properties resulting in an increase of approximately 638 new affordable units within the WRH portfolio. The total estimated capital cost over the life of this project is projected at \$247 million (in 2019 dollars). If Council endorses the Master Plan, the multi-disciplinary project team will prepare the 2020-2029 Housing Capital Budget to reflect this proposed capital cost, as set out in Appendix E, F and G.

Proposed capital financing includes grants from the National Housing Strategy (NHS) Co-investment program for new construction and seed funding. This is a Federal program and the grant amount is contingent on program requirements being achieved. Based on the Master Plan assumptions, it is estimated that grant funding will be 20 per cent or \$50M of the proposed total capital financing. These grants can be used for costs related to pre-development and construction activities.

The remaining funding sources consist of NHS Co-investment financing (CMHC mortgages) (\$99M) and Regional long term borrowing (\$98M). Combined these sources comprise approximately 80 per cent of the estimated total capital costs.

Operating revenues, expenses, and net levy impact have been estimated in 2019 dollars. Revenues include market, affordable, and RGI rents as well as non-rental revenues (e.g., laundry, parking income). Operating expenses include utilities, service contracts, other maintenance costs, insurance, lifecycle provision, and debt servicing.

The completion of this strategy will require the addition of four temporary FTE's (two in Housing Services, two in Facilities Management) to deliver the revitalization program. These positions are temporary in order to deliver the revitalization program and will conclude in 2030. These positions will be funded through a combination of operating and capital financing.

The addition of 638 units will require 7 permanent FTEs to be added in 2025 (3.5 FTE) and 2030 (3.5 FTE) to support the operation and management of the additional units. These positions will be funded through the annual operating budget. A budget issue paper for the new positions will be prepared for consideration as part of the 2020 budget process.

### **6.3 Strategic Category 2: Operate and Maintain Remaining Communities**

During the stakeholder consultation, it was expressed that WRH should maintain its current affordable housing stock and should not allow it to deplete. According to legislation, the number of RGI units should not decrease regardless of how WRH evolves over the next 20 years. Given that most of the units were built before the mid-1970s, the costs associated with maintaining their upkeep are rising every year.

As a result of the decision made above in Strategic Category 1, there are 60 remaining communities that will require ongoing maintenance in order to continue their lifecycle in the existing affordable housing stock. To determine estimated costs, the MP team used the current WRH 10-year capital renewal budget. This budget is based on the building condition audits which are performed every 5 years on the WRH communities. These audits highlight the state of repair and required capital work along with timelines and costs associated with the work.

### **6.4 Strategic Category 3: Potential Divestment Opportunities**

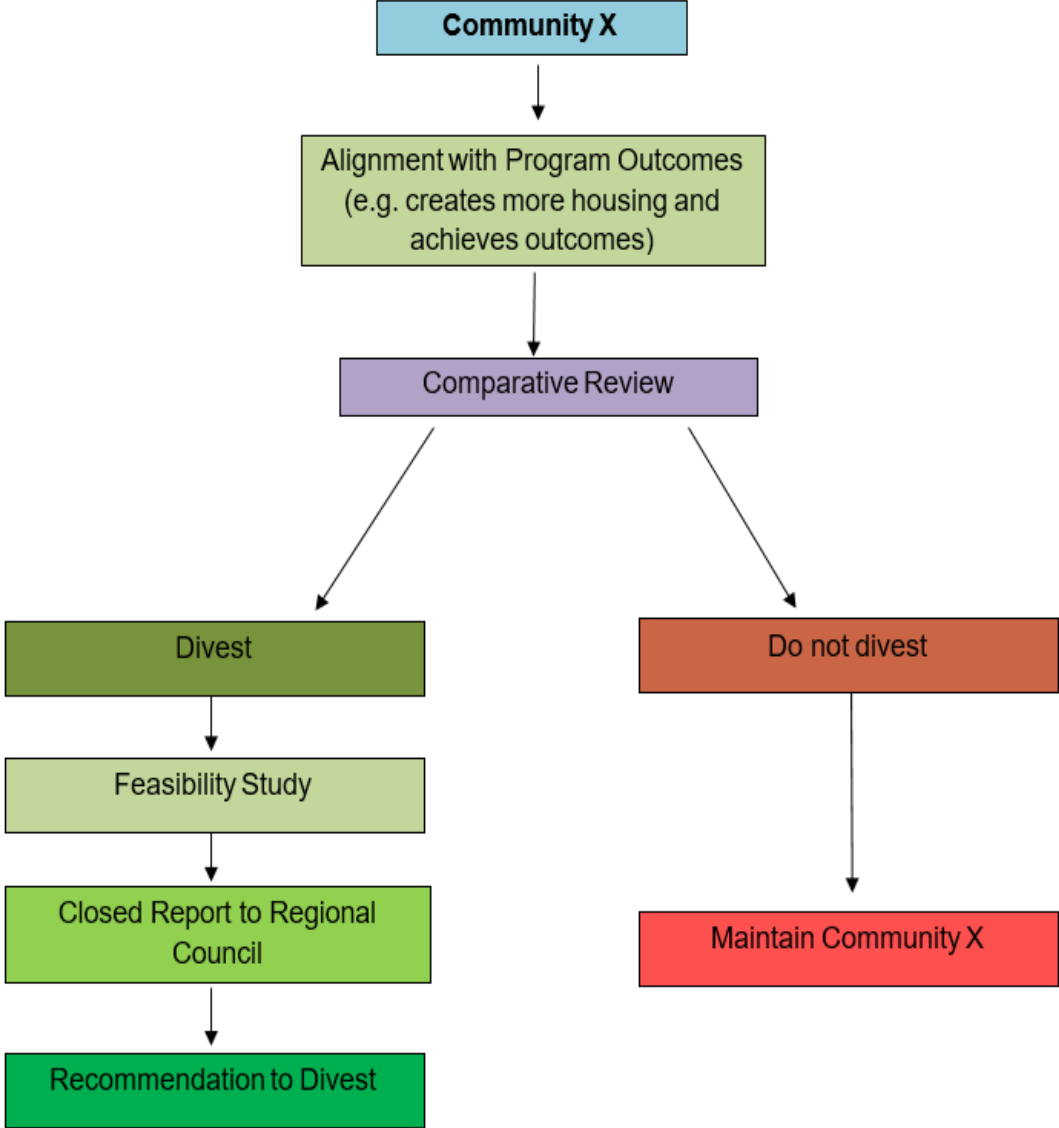
The evaluation matrix took into consideration specific factors when prioritizing the 65 WRH communities into the three strategic categories. The communities that placed in the third category would be taken into consideration when deciding on potential divestment. Some of the principle reasons for divesting from these communities are:

- Inefficient use of the land (e.g. small units on large pieces of land);
- The high operating costs compared to multi-unit dwellings; and
- Their relative value compared to other forms of WRH housing stock.
- Any other opportunities for revenue

Both the Steering Committee and the CAC stated their strong support for re-investing any proceeds gained from the sale of these communities into redevelopment of the existing housing stock.

To determine which sites to divest, a decision-making framework will be used at the time of each proposal. Potential divestments will be evaluated and assessed to ensure that divestment aligns with the expected outcomes and would result in financial benefits and an overall increase in affordable community housing. Any potential divestment opportunity will involve a multi-year consultation process with tenants and the broader community, prior to confirming divestment. Recommendations would then be brought to Regional Council for approval.

**Figure 9: Decision-Making Framework for Potential Divestment of a Property**



## 7. Implementation

The implementation of this plan will involve many aspects in order to move ahead with WRH's contribution to the affordable housing stock and achieve the target. The following is a summary of how WRH plans to implement this Plan, which does not include day-to-day tasks of staff working on this project:

### 1. Striking a Team

- Once approval of the Master Plan is granted, a Senior Project Manager will be assigned from the Facilities team for the duration of the series of all projects
- Similarly, once Council approval is granted, a Facilities Project Manager, Project Coordinator as well as a WRH Community Engagement Specialist will be hired to work with the community moving forward
- Thereafter, annual budget approval from Council would be required for the implementation of any individual project

### 2. Planning Approvals

- Meeting with Area Municipalities and other stakeholders for pre-consultation meetings to discuss proposals and refine details
- Adjust order of project site developments in consultation with Program Team to account for various lead times (e.g. zoning or minor variances)
- This process will be repeated for every site proposal moving forward

### 3. Hiring and Design

- Hiring an architectural firm to begin design work on the first selected site
- Hire a planning consultant to begin work on pre-approval steps for upcoming sites
- Development of a social procurement<sup>21</sup> plan that will provide positive social and economic impacts to the surrounding communities

### 4. Finalizing Architectural Designs, Planning and Costing

- Facilities Management will work with consultants to finalize the architectural designs of each project
- The Project Coordinator from the Housing Services will begin consultations with Area Municipalities and the public to receive feedback on the proposals
- Concurrently, the Project Coordinator will work with the consultants to finalize the planning rationale for each proposal
- Lastly, as details are finalized, the Finance Team will rebuild the budgets according to the refined proposals

---

<sup>21</sup> Social procurement refers to the practice of ensuring that spending is leveraged to have a positive impact on the local economy and the overall well-being of the community and neighbourhood.

## 5. Exploring Potential Divestment

- Begin to conduct a potential divestment analysis based on the Decision Framework for Divesting a Property, which will be accompanied with the revised program budget process
- Analyze outcomes and present a decision of whether or not to divest particular site(s) to Council
- Should approval be granted, rework the potential divestment opportunity back into the program budget to use for future financing sources

## 6. Monitoring and Evaluation

- Five-year updates of the Master Plan to ensure information, data and objectives are relevant
- Develop an evaluation tool to use going forward to assist in the monitoring of WRH
- Submit regular progress reports indicating any important information for reference moving forward

Throughout the implementation process, the Corporate Advisory Committee (CAC) and the MP Steering Committee will remain intact to continue to provide the WRH Revitalization Strategy Team with oversight and feedback of the implementation process. The Steering Committee will be provided with program level updates including the overall progress made on each project, as well as the Plan's objectives and outcomes.

## 8. Monitoring and Evaluation

The Master Plan has provided a long-range plan for ensuring that WRH maintains its 30% proportion of community housing in the Region. As set out in the plan a specific scenario is being recommended for revitalization and redevelopment that would best meet the community's needs as well as the current forecasted future demands. The MP must, however, be able to respond to changes in community needs, policy directions as well as fluctuations in rental market conditions and capital costs. To ensure the success of this Plan, ongoing monitoring of pertinent conditions, actions and impacts will occur.

As part of the monitoring and evaluation phase, staff will explore the opportunity for public-private partnerships.

The Master Plan will be reviewed and updated every five years, to ensure that data, information and directions are relevant and objectives are being met. This will include regular progress or update reports to Regional Council to inform the community of our progress and how to improve moving forward.

In addition to this, an evaluation tool with performance measures will be developed to use going forward as a way to inform the Region's future decisions as they relate to WRH and ensure that there is consistency with all WRH communities.

## 9. Appendices

Appendix A: Master Plan Project Charter

Appendix B: Evaluation Matrix Results

Appendix C: WRH Housing Portfolio (Building Site Summaries)

Appendix D: Summary of Six Scenarios

Appendix E: Financial Information on Waterloo Shortlisted Sites:

- i. Building and Unit Information
- ii. Capital costs and Financing Estimates
- iii. Assumptions for Capital Costs and Financing
- iv. Estimated 2019 and Proposed Operating Revenue Impact
- v. Assumptions for Proposed Operating Revenue
- vi. Estimated 2019 Operating Expenses
- vii. Proposed Operating Expenses
- viii. Assumptions for Proposed Operating Expenses
- ix. Estimated Net Property Tax Impact

Appendix F: Financial Information on Kitchener Shortlisted Sites

- i. Building and Unit Information
- ii. Capital costs and Financing Estimates
- iii. Assumptions for Capital Costs and Financing
- iv. Estimated 2019 and Proposed Operating Revenue Impact
- v. Assumptions for Proposed Operating Revenue
- vi. Estimated 2019 Operating Expenses
- vii. Proposed Operating Expenses
- viii. Assumptions for Proposed Operating Expenses
- ix. Estimated Net Property Tax Impact

Appendix G: Financial Information on Cambridge Shortlisted Sites

- i. Building and Unit Information
- ii. Capital costs and Financing Estimates
- iii. Assumptions for Capital Costs and Financing
- iv. Estimated 2019 and Proposed Operating Revenue Impact
- v. Assumptions for Proposed Operating Revenue
- vi. Estimated 2019 Operating Expenses
- vii. Proposed Operating Expenses
- viii. Assumptions for Proposed Operating Expenses

Appendix H: Estimated Construction Schedule

Appendix I: Six (6) Redevelopment Scenarios - Additional Information

Appendix J: WRH What We Heard Summary

Appendix K: Executive Summary of the WRH Master Plan Discussion Paper

**Appendix A: Project Charter**  
**Waterloo Region Housing Master Plan**  
**Start Date: February 2017**  
**Planned End Date: April 2018**

Goal: Create a 20-year Master Plan for Waterloo Region Housing.

Principles:

- We will make decisions that support our work in implementing the 10 Year Housing and Homelessness Plan, our Service Manager role, our direct housing operator role, and Council’s Strategic Plan.
- We will make decisions that support the Regional values: Respect, Collaboration, Innovation, Service and Integrity.
- We will make decisions that support our Housing Services division’s belief statement: “We believe communities thrive when everyone has a home. Housing Services engages community partners to end homelessness and to provide a range of quality, affordable, housing options with appropriate levels of support”.
- We will make decisions focused on improving client’s housing services pathway.
- We will work to build on the strengths that exist within current processes and staff.
- We will have a strong commitment to engage and communicate inclusively with clients/tenants, community partners and Regional staff.
- We will challenge our existing ways of thinking and doing business (e.g. what we should start, continue and stop doing).

Project Management Structure:

		Responsibilities
Project Sponsor:	Douglas Bartholomew-Saunders, Commissioner Community Services	<ul style="list-style-type: none"> <li>• Approve the Project Charter and necessary resources.</li> <li>• Endorse the general approach to engaging staff, community partners and conducting research.</li> <li>• Identify key issues to take to Corporate Leadership Advisory Committee</li> <li>• Approve the options.</li> <li>• Approve the final report.</li> <li>• Communicate as needed (e.g. Council).</li> </ul>
Project Lead:	Mina Fayez Bahgat, Manager, Waterloo Region Housing	<ul style="list-style-type: none"> <li>• Provide overall oversight on the project.</li> <li>• Chair the Steering Team</li> <li>• Approve the Project Charter.</li> <li>• Approve the project deliverables.</li> <li>• Approve the process, including RFP for consultant</li> <li>• Decide and forward the options for Project Sponsor approval.</li> </ul>

		Responsibilities
		<ul style="list-style-type: none"> <li>Decide and forward the final report for Project Sponsor approval.</li> <li>Communicate as needed</li> </ul>
Project Planning Team:	<ul style="list-style-type: none"> <li>Mina Fayez-Bahgat Manager, Waterloo Region Housing</li> <li>Jeff Schumacher Supervisor, Housing Program Initiatives</li> <li>Victoria Gignac Principal Planner, Housing Services</li> <li>Richard Schafer, Sr. Project Manager, Project &amp; Property Planning</li> <li>Lynn Bestari, Social Planning Associate, Housing Services</li> </ul>	<ul style="list-style-type: none"> <li>Assist Project Lead to plan, coordinate and facilitate the Steering Committee.</li> <li>Manage the project to ensure that timelines and deliverables are maintained and adhered to.</li> <li>Draft the Project Charter (the process plan).</li> <li>Draft the deliverables (materials needed for the project).</li> <li>Gather internal and external information, summarize and analyse.</li> <li>Support the decision-making process.</li> </ul>
Steering Committee Members:	<ul style="list-style-type: none"> <li>Project Lead, Mina Fayez Bahgat,</li> <li>4 Regional Councillors: Clarke, Jaworski, Lorentz, Nowak</li> <li>Project Planning Team members (see above)</li> <li>Debra Arnold, Director, Legal Services</li> <li>Matthew Chandy, Manager, Economic Development</li> <li>Ellen McGaghey, Director, Facilities Management</li> <li>Shauna Calder, Manager, Finance</li> <li>Michelle Sergi, Director, Planning Services</li> </ul>	<ul style="list-style-type: none"> <li>Provide support and expertise to ensure the project meets its goal and objectives.</li> <li>Review and provide input on draft Project Charter.</li> <li>Review and provide input on project deliverables.</li> <li>Review communications strategy</li> <li>Assist with RFP &amp; hiring consultant team</li> <li>Provide input on the options to be considered.</li> <li>Provide input on the final report and recommendations.</li> </ul>
Corporate Leadership Advisory Committee	<ul style="list-style-type: none"> <li>Mike Murray, CAO</li> <li>Douglas Bartholomew-Saunders,</li> </ul>	<ul style="list-style-type: none"> <li>To be consulted on key issues, as identified by Steering Committee, Project Lead, and/or Sponsor.</li> </ul>

		Responsibilities
	Commissioner, Community Services <ul style="list-style-type: none"> <li>• Craig Dyer,                Commissioner,                Corporate Services</li> <li>• Rod Regier,                Commissioner,                Planning,                Development and                Legislative Services</li> </ul>	

Objectives:

Plan Design Phase: February – April 2017	Consultation and Development Phase: May 2017 – March 2018	Analysis of Options and Plan Development Phase: April 2018 – October 2019
<ul style="list-style-type: none"> <li>• Report to Council</li> <li>• Establish Project Steering Committee</li> <li>• Approval of Project Charter</li> <li>• Planning Day for Steering Committee</li> <li>• Finalize Critical Path</li> <li>• Create communication plan</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct consultations with internal key stakeholders</li> <li>• Hire consultant team to conduct consultations with external key stakeholders, summarize/analyze results, and draft report</li> <li>• Present to CLT and Council summary of finding</li> <li>• Respond back to stakeholders on summary of finding</li> <li>• Obtain additional feedback from stakeholders on findings</li> </ul>	<ul style="list-style-type: none"> <li>• Final report to CLT and Council with recommendations for approval</li> </ul>

In Scope:	Out of Scope:
<ul style="list-style-type: none"> <li>• Regionally owned housing communities</li> <li>• Region of Waterloo Community Housing Inc.</li> <li>• Exploring new ideas for housing</li> <li>• Bringing together staff who may have very different ideas</li> <li>• Consideration that the master plan may have impacts on Regional staff and finances</li> </ul>	<ul style="list-style-type: none"> <li>• Community housing programs</li> </ul>

Constraints:

- Team member's time
- Staff knowledge and expertise in the different areas of Housing Services
- Budget for implementing the process (e.g. consultant team costs, printing materials, meeting expenses)

Resources Required:

- Steering Committee members' time
- Housing Services Staff Time
- Access to content experts
- Funding for implementing the process (e.g. consultant team costs, printing materials, meeting expenses)

Meeting Procedures:

- Meeting will be chaired by the Manager, WRH, Housing Services, Community Services Department.
- Agendas and minutes will be prepared and distributed by Regional staff.
- Committee members will adhere to Regional policies regarding conflict of interest and confidentiality.

**Appendix B:**  
**Waterloo Region Housing (WRH) Master Plan**  
**Evaluation Matrix for City of Waterloo Properties**

		1	2	3	4
<u>LOCATION</u>	Maximum <u>Points</u>	<u>1 High St</u>	<u>Sunnydale</u>	<u>Amos</u>	<u>416 Kingscourt</u>
<b>COMMUNITY HOUSING</b>					
Neighborhood Factor **	10	10	6	6	6
Waitlist	2	2	2	2	1
Tenant Impact	7	7	6	6	6
Planning, Site Intensification Potential	10	8	4	4	6
Transportation	5	3	1	1	1
Community Amenities	3	0	0	0	2
<b>FINANCE</b>					
Physical Bldg. Condition	5	2	2	2	2
2019 10 Year Capital Costs	7	7	7	7	4.5
Maintenance Costs (excl utilities)	5	5	3	3	3
Expired Mortgages/Debentures	3	3	3	3	2
	<b>TOTAL POINTS</b>	47.0	34.0	34.0	33.5
	<b>%</b>	82%	60%	60%	59%
		Note 1			Note 2
<b>BUILDING INFORMATION</b>					
Building type		Row house	Row house	Row house	Apt. Walk-up
Current units		21	40	40	53
Potential yield		140	295	58	223
Total Potential Units (Est.)		161	335	98	276

**Notes:** \*\* Additional Comments on Neighborhood Factor

- 1 High redevelopment yield; identified by City as potential opportunity for community space
- 2 Unique location, existing buildings are 5 walk-up clusters with mixed market and RGI units

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix for City of Waterloo Properties**

<u>LOCATION</u>	Maximum <u>Points</u>	5 <u>Albert St</u>	6 <u>335 Regina</u>	7 <u>Keats Way</u>	
<b><u>COMMUNITY HOUSING</u></b>					
Neighborhood Factor **	10	6	6	3	
Waitlist	2	2	1	1	
Tenant Impact	7	4	6	3	
Planning, Site Intensification Potential	10	9	6	6	
Transportation	5	1	3	1	
Community Amenities	3	1	0	0	
<b><u>FINANCE</u></b>					
Physical Bldg. Condition	5	2	2	2	
2019 10 Year Capital Costs	7	2.5	2.5	2.5	
Maintenance Costs (excl utilities)	5	3	1	1	
Expired Mortgages/Debentures	3	3	2	2	
	<b>TOTAL POINTS</b>	57.0	33.5	29.5	21.5
	<b>%</b>	100%	59%	52%	38%
<b><u>BUILDING INFORMATION</u></b>					
Building type	-	Row house	Apt.	Row house	
Current units	-	40	61	48	
Potential yield	-	373	135	85	
Total Potential Units (Est.)	-	413	196	133	

Notes:      \*\* Additional Comments on Neighborhood Factor

**Appendix B:**  
**Waterloo Region Housing (WRH) Master Plan**  
**Evaluation Matrix, City of Kitchener Properties**

		1	2	3	4	
<u>LOCATION</u>	<u>Maximum Points</u>	<u>Shelley Courtland</u>	<u>60 Paulander</u>	<u>Moore gate</u>	<u>45 Holborn</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	10	9	5	6	
Waitlist	2	2	1	1	1	
Tenant Impact	7	4	7	5	6	
Planning, Site Intensification Potential	10	8	7	8	5	
Transportation	5	5	1	1	3	
Community Amenities	3	1	1	3	3	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	2	
2019 10 Year Capital Costs	7	2.5	4.5	2.5	4.5	
Maintenance Costs (excl utilities)	5	1	3	5	1	
Expired Mortgages/Debentures	3	3	2	3	3	
	<b>TOTAL POINTS</b>	57.0	38.5	37.5	35.5	34.5
	<b>%</b>	100%	68%	66%	62%	61%
		Note 1	Note 2		Note 3	
<b><u>BUILDING INFORMATION</u></b>						
Building type		Row house	Row house	Row house	Row house	
Current units		70	52	55	25	
Potential yield		174	254	125	59	
Total Potential Units (Est.)		244	306	180	84	

**Notes:** \*\* Additional Comments on Neighborhood Factor

- 1 ION Station, ability to generate revenues (land), community centre
- 2 Part of campus portfolio, parking garage issues, opportunity to create a new/different community; safety issues due to current building design (CPTED) is less safe
- 3 Campus portfolio - Holborn

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		5	6	7	8	
<u>LOCATION</u>	Maximum <u>Points</u>	140 <u>Weber</u>	<u>Mowat</u>	<u>Guerin</u>	47 <u>Holborn</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	9	4	4	7	
Waitlist	2	2	2	2	1	
Tenant Impact	7	6	4	4	6	
Planning, Site Intensification Potential	10	3	4	4	5	
Transportation	5	1	3	1	3	
Community Amenities	3	0	3	3	3	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	2	
2019 10 Year Capital Costs	7	4.5	7	7	2	
Maintenance Costs (excl utilities)	5	3	1	3	1	
Expired Mortgages/Debentures	3	3	3	3	3	
	<b>TOTAL POINTS</b>	57.0	33.5	33.0	33.0	33.0
	<b>%</b>	100%	59%	58%	58%	58%
			Note 4			Note 3
<b><u>BUILDING INFORMATION</u></b>						
Building type			Row house	Row house		
Current units		35	17	33	45	
Potential yield		56	12	27	86	
Total Potential Units (Est.)		91	29	60	131	

**Notes:** \*\* Additional Comments on Neighborhood Factor

3 Campus portfolio - Holborn

4 Opportunity with neighboring property; CPTED issues (safety), local support HUB/agencies, easy relocation strategy, broad neighborhood planning, neighborhood in early stages of transition good potential for latter phase

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		9	10	11	12	
<u>LOCATION</u>	<u>Maximum Points</u>	<u>Valley-view</u>	<u>65 Holborn</u>	<u>40 Paulander</u>	<u>Rutherford</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	4	7	5	4	
Waitlist	2	2	2	2	2	
Tenant Impact	7	4	6	5	4	
Planning, Site Intensification Potential	10	6	4	7	4	
Transportation	5	3	3	1	1	
Community Amenities	3	0	3	1	0	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	3	2	2	2	
2019 10 Year Capital Costs	7	4.5	2.5	4	7	
Maintenance Costs (excl utilities)	5	3	1	3	5	
Expired Mortgages/Debentures	3	3	2	2	3	
	<b>TOTAL POINTS</b>	57.0	32.5	32.5	32.0	32.0
	<b>%</b>	100%	57%	57%	56%	56%
			Note 3	Note 2		
<b><u>BUILDING INFORMATION</u></b>						
Building type		Row house		Row house	Row house	
Current units		44	40	23	8	
Potential yield		40	115	112	3	
Total Potential Units (Est.)		84	155	135	11	

**Notes:** \*\* Additional Comments on Neighborhood Factor

- 2 Part of campus portfolio, parking garage issues, opportunity to create a new/different community; safety issues due to current building design (CPTED) is less safe
- 3 Campus portfolio - Holborn

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		13	14	15	16	
<u>LOCATION</u>	Maximum <u>Points</u>	<u>Brybeck</u>	<u>Chandler</u>	82 <u>Wilson</u>	<u>Weichel</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	6	4	10	4	
Waitlist	2	1	1	2	1	
Tenant Impact	7	6	4	7	4	
Planning, Site Intensification Potential	10	6	4	4	4	
Transportation	5	1	3	1	1	
Community Amenities	3	1	3	1	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	2	
2019 10 Year Capital Costs	7	2.5	2.5	0	7	
Maintenance Costs (excl utilities)	5	3	5	1	3	
Expired Mortgages/Debentures	3	3	3	3	3	
	<b>TOTAL POINTS</b>	57.0	31.5	31.5	31.0	30.0
	<b>%</b>	100%	55%	55%	54%	53%
				Note 5, 6		
<b><u>BUILDING INFORMATION</u></b>						
Building type		Row house	Row house	Apt.	Row house	
Current units		36	44	16	23	
Potential yield		168	32	84	14	
Total Potential Units (Est.)		204	76	100	37	

**Notes:** \*\* Additional Comments on Neighborhood Factor

5 Senior supportive HUB, seniors building, no elevator, small building, part of a campus, zoning, irregularity, vacancies

6 Part of campus (82 Wilson), if 82 Wilson is developed, future planning analysis may indicate intensification and provide future opportunity

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		17	18	19	20	
<u>LOCATION</u>	Maximum <u>Points</u>	<u>Overlea Crt./Dr.</u>	<u>Windom</u>	119 <u>College</u>	<u>Ingleside</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	4	4	5	4	
Waitlist	2	2	2	1	1	
Tenant Impact	7	4	4	5	4	
Planning, Site Intensification Potential	10	4	4	6	5	
Transportation	5	3	1	5	1	
Community Amenities	3	2	1	1	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	3	
2019 10 Year Capital Costs	7	2.5	4.5	0	4	
Maintenance Costs (excl utilities)	5	3	3	1	3	
Expired Mortgages/Debentures	3	3	3	2	2	
	<b>TOTAL POINTS</b>	57.0	29.5	28.5	28.0	28.0
	<b>%</b>	100%	52%	50%	49%	49%
<b><u>BUILDING INFORMATION</u></b>						
Building type		Row house	Row house	Apt. Elevator	Row Semis	
Current units		30	12	73	50	
Potential yield		22	8	36	27	
Total Potential Units (Est.)		52	20	109	77	

Notes:      \*\* Additional Comments on Neighborhood Factor

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		21	22	23	24	
<u>LOCATION</u>	Maximum <u>Points</u>	<u>Morgan</u>	<u>Kinzie</u>	<u>210 Fourth</u>	<u>512-524 Greenfield</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	3	4	5	4	
Waitlist	2	2	2	2	1	
Tenant Impact	7	3	4	5	4	
Planning, Site Intensification Potential	10	7	4	2	2	
Transportation	5	1	1	1	1	
Community Amenities	3	1	0	1	0	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	3	2	
2019 10 Year Capital Costs	7	2	4.5	4.5	7	
Maintenance Costs (excl utilities)	5	5	3	1	3	
Expired Mortgages/Debentures	3	2	3	3	3	
	<b>TOTAL POINTS</b>	57.0	28.0	27.5	27.5	27.0
	<b>%</b>	100%	49%	48%	48%	47%
				Note 6		
<b><u>BUILDING INFORMATION</u></b>						
Building type		Semi detached	Row house	Row house	Row house	
Current units		16	18	51	30	
Potential yield		39	7	116	12	
Total Potential Units (Est.)		55	25	167	42	

**Notes:** \*\* Additional Comments on Neighborhood Factor

6 Part of campus (82 Wilson), if 82 Wilson is developed, future planning analysis may indicate intensification and provide future opportunity

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		25	26	27	28	
<u>LOCATION</u>	Maximum <u>Points</u>	65 <u>Paulander</u>	<u>Lorraine</u>	<u>Strasburg</u>	518 <u>Greenfield</u>	
<b>COMMUNITY HOUSING</b>						
Neighborhood Factor **	10	5	4	3	4	
Waitlist	2	1	2	2	2	
Tenant Impact	7	6	4	3	4	
Planning, Site Intensification Potential	10	4	4	3	2	
Transportation	5	1	1	3	1	
Community Amenities	3	1	0	2	0	
<b>FINANCE</b>						
Physical Bldg. Condition	5	3	2	2	2	
2019 10 Year Capital Costs	7	2.5	4.5	2	4.5	
Maintenance Costs (excl utilities)	5	1	3	3	1	
Expired Mortgages/Debentures	3	2	2	2	3	
	<b>TOTAL POINTS</b>	57.0	26.5	26.5	25.0	23.5
	<b>%</b>	100%	46%	46%	44%	41%
			Note 2			
<b>BUILDING INFORMATION</b>						
Building type		Apt.	Row house	Semi detached	Apt. Elevator	
Current units		50	16	6	45	
Potential yield		102	8	6	18	
Total Potential Units (Est.)		152	24	12	63	

Notes: \*\* Additional Comments on Neighborhood Factor

- 2 Part of campus portfolio, parking garage issues, opportunity to create a new/different community; safety issues due to current building design (CPTED) is less safe

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		29	30	31	32	
<u>LOCATION</u>	Maximum <u>Points</u>	<u>Thaler</u>	168 <u>Fairway</u>	239 <u>Franklin</u>	74 <u>Church</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	4	4	3	4	
Waitlist	2	2	1	2	1	
Tenant Impact	7	4	4	3	5	
Planning, Site Intensification Potential	10	4	4	8	6	
Transportation	5	1	1	1	1	
Community Amenities	3	0	1	2	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	3	2	2	
2019 10 Year Capital Costs	7	2.5	2.5	0	0	
Maintenance Costs (excl utilities)	5	1	1	1	1	
Expired Mortgages/Debentures	3	3	2	1	2	
	<b>TOTAL POINTS</b>	57.0	23.5	23.5	23.0	23.0
	<b>%</b>	100%	41%	41%	40%	40%
<b><u>BUILDING INFORMATION</u></b>						
Building type		Row house	Semi detached	Apt. Elevator	Apt.	
Current units		35	30	32	61	
Potential yield		15	23	32	34	
Total Potential Units (Est.)		50	53	64	95	

Notes:      \*\* Additional Comments on Neighborhood Factor

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		33	34	35	36	
<u>LOCATION</u>	Maximum <u>Points</u>	145 <u>Overlea</u>	<u>Montcalm</u>	<u>Queenston</u>	84 <u>Wilson</u>	
<b>COMMUNITY HOUSING</b>						
Neighborhood Factor **	10	4	3	3	3	
Waitlist	2	1	2	2	0	
Tenant Impact	7	4	3	3	0	
Planning, Site Intensification Potential	10	2	4	4	3	
Transportation	5	1	1	1	1	
Community Amenities	3	0	0	0	3	
<b>FINANCE</b>						
Physical Bldg. Condition	5	2	2	2	3	
2019 10 Year Capital Costs	7	4.5	0	0	4.5	
Maintenance Costs (excl utilities)	5	1	3	3	1	
Expired Mortgages/Debentures	3	2	3	3	2	
	<b>TOTAL POINTS</b>	57.0	21.5	21.0	21.0	20.5
	<b>%</b>	100%	38%	37%	37%	36%

Note 6

**BUILDING INFORMATION**

Building type		Row Apt.	Row house	Row house	Row Apt.
Current units		60	12	12	56
Potential yield		17	4	4	50
Total Potential Units (Est.)		77	16	16	106

**Notes:** \*\* Additional Comments on Neighborhood Factor

6 Part of campus (82 Wilson), if 82 Wilson is developed, future planning analysis may indicate intensification and provide future opportunity

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Kitchener Properties**

		37	38	39
<u>LOCATION</u>	Maximum <u>Points</u>	199 <u>Elmridge</u>	233 <u>Franklin</u>	215 <u>Lorraine</u>
<b><u>COMMUNITY HOUSING</u></b>				
Neighborhood Factor **	10	4	4	3
Waitlist	2	1	1	1
Tenant Impact	7	4	4	3
Planning, Site Intensification Potential	10	2	2	2
Transportation	5	1	1	1
Community Amenities	3	3	3	0
<b><u>FINANCE</u></b>				
Physical Bldg. Condition	5	2	2	2
2019 10 Year Capital Costs	7	0	0	2.5
Maintenance Costs (excl utilities)	5	1	1	1
Expired Mortgages/Debentures	3	1	1	2
	<b>TOTAL POINTS</b>	57.0	19.0	19.0
	<b>%</b>	100%	33%	33%
<b><u>BUILDING INFORMATION</u></b>				
Building type		Row house	Apt.	Apt.
Current units		50	119	34
Potential yield		39	46	10
Total Potential Units (Est.)		89	165	44

Notes:      \*\* Additional Comments on Neighborhood Factor

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Cambridge Properties**

		1	2	3	4	
<u>LOCATION</u>	Maximum Points	Radford Allison Lumsden	Langs	Bechtel	Sekura	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	6	3	5	3	
Waitlist	2	1	1	2	1	
Tenant Impact	7	6	6	5	3	
Planning, Site Intensification Potential	10	5	6	8	7	
Transportation	5	1	1	1	1	
Community Amenities	3	1	1	1	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	3	2	2	2	
2019 10 Year Capital Costs	7	6.5	7	7	7	
Maintenance Costs (excl utilities)	5	3	5	1	5	
Expired Mortgages/Debentures	3	3	3	2	3	
	<b>TOTAL POINTS</b>	57.0	35.5	35.0	34.0	33.0
	<b>%</b>	100%	62%	61%	60%	58%
		Note 1				
<b><u>BUILDING INFORMATION</u></b>						
Building type		Semi detached	Row house	Row house	Semi detached	
Current units		52	38	18	14	
Potential yield		41	2	7	10	
Total Potential Units (Est.)		93	40	25	24	

Notes:      \*\* Additional Comments on Neighborhood Factor

1      Lumsden maybe supported by City; on one street/parcel

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Cambridge Properties**

		5	6	7	8	
<u>LOCATION</u>	<u>Maximum Points</u>	<u>125 Champlain</u>	<u>55 Magor</u>	<u>Southwood</u>	<u>Lauris Ave.</u>	
<b>COMMUNITY HOUSING</b>						
Neighborhood Factor **	10	3	3	5	9	
Waitlist	2	1	1	1	0	
Tenant Impact	7	4	3	5	7	
Planning, Site Intensification Potential	10	6	6	6	7	
Transportation	5	1	1	1	1	
Community Amenities	3	1	0	0	1	
<b>FINANCE</b>						
Physical Bldg. Condition	5	2	3	2	0	
2019 10 Year Capital Costs	7	7	7	2.5	0	
Maintenance Costs (excl utilities)	5	5	5	5	1	
Expired Mortgages/Debentures	3	2	2	3	3	
	<b>TOTAL POINTS</b>	57.0	32.0	31.0	30.5	29.0
	<b>%</b>	100%	56%	54%	54%	51%
			Note 2		Note 3	
<b>BUILDING INFORMATION</b>						
Building type		Row house	Row house	Row house	Vacant land	
Current units		58	31	58	0	
Potential yield		(2)	0	(4)	44	
Total Potential Units (Est.)		56	31	54	44	

**Notes:** \*\* Additional Comments on Neighborhood Factor

- 2 Limited potential to add units
- 3 Vacant site; to be considered with sale of ballantyne detached homes, in proximity of Ballantyne site, unique and owned by Region

**Appendix B:**  
**Waterloo Region Housing (WRH) Master Plan**  
**Evaluation Matrix, City of Cambridge Properties**

		9	10	11	12	
<u>LOCATION</u>	<u>Maximum Points</u>	<u>339 Bishop</u>	<u>95 Concession</u>	<u>10 Westgate</u>	<u>50 Chalmers</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	4	4	4	4	
Waitlist	2	1	1	1	1	
Tenant Impact	7	4	4	4	4	
Planning, Site Intensification Potential	10	4	6	4	4	
Transportation	5	1	5	1	1	
Community Amenities	3	3	1	2	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	3	
2019 10 Year Capital Costs	7	7	2	4.5	4.5	
Maintenance Costs (excl utilities)	5	1	1	1	1	
Expired Mortgages/Debentures	3	2	1	3	3	
	<b>TOTAL POINTS</b>	57.0	29.0	27.0	26.5	26.5
	<b>%</b>	100%	51%	47%	46%	46%
<b><u>BUILDING INFORMATION</u></b>						
Building type		Apt.	Apt.	Apt.	Apt.	
Current units		39	110	60	63	
Potential yield		(21)	28	(29)	(41)	
Total Potential Units (Est.)		18	138	31	22	

Notes:      \*\* Additional Comments on Neighborhood Factor

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Cambridge Properties**

		14	15	16	17	
<u>LOCATION</u>	<u>Maximum Points</u>	<u>Ballantyne</u>	<u>143 Concession</u>	<u>Rouse Gail</u>	<u>778 Walter</u>	
<b><u>COMMUNITY HOUSING</u></b>						
Neighborhood Factor **	10	3	4	3	3	
Waitlist	2	1	1	2	1	
Tenant Impact	7	3	4	3	4	
Planning, Site Intensification Potential	10	7	4	6	4	
Transportation	5	1	1	1	1	
Community Amenities	3	1	1	1	1	
<b><u>FINANCE</u></b>						
Physical Bldg. Condition	5	2	2	2	2	
2019 10 Year Capital Costs	7	2.5	4.5	0	2.5	
Maintenance Costs (excl utilities)	5	3	1	3	1	
Expired Mortgages/Debentures	3	3	3	3	3	
	<b>TOTAL POINTS</b>	57.0	26.5	25.5	24.0	22.5
	<b>%</b>	100%	46%	45%	42%	39%
			Note 4			
<b><u>BUILDING INFORMATION</u></b>						
Building type		Single homes		Row		
Current units		50	Apt. 42	Semis 40	Apt. 44	
Potential yield		85	(29)	(18)	(26)	
Total Potential Units (Est.)		135	13	22	18	

Notes: \*\* Additional Comments on Neighborhood Factor

4 Close proximity to Lauris site, currently consider to sell

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix, City of Cambridge Properties**

<u>LOCATION</u>	Maximum <u>Points</u>	18 <u>Grand Ave.</u>	19 <u>Mulberry</u>	20 <u>Elgin</u>
<b><u>COMMUNITY HOUSING</u></b>				
Neighborhood Factor **	10	7	3	3
Waitlist	2	1	1	1
Tenant Impact	7	4	3	3
Planning, Site Intensification Potential	10	4	4	6
Transportation	5	1	1	1
Community Amenities	3	0	0	1
<b><u>FINANCE</u></b>				
Physical Bldg. Condition	5	2	2	3
2019 10 Year Capital Costs	7	0	4.5	7
Maintenance Costs (excl utilities)	5	1	1	3
Expired Mortgages/Debentures	3	2	2	3
<b>TOTAL POINTS</b>	57.0	22.0	21.5	31.0
<b>%</b>	100%	39%	38%	54%
		Note 5		
<b><u>BUILDING INFORMATION</u></b>				
Building type		Apt.	Apt.	Apt.
Current units		86	38	43
Potential yield		(58)	(22)	(22)
Total Potential Units (Est.)		28	16	21

**Notes:** \*\* Additional Comments on Neighborhood Factor

- 5 Location to downtown Cambridge and Grand River; provides opportunity for future 3P (public, private, partnership) development

**Appendix B:  
Waterloo Region Housing (WRH) Master Plan  
Evaluation Matrix for Townships Properties**

<u>LOCATION</u>	<u>Maximum Points</u>	<u>Elmira Snyder</u>	<u>Wellesley Henry</u>	<u>New Hamburg Forrest</u>	<u>Elmira Wyatt E</u>
<b><u>COMMUNITY HOUSING</u></b>					
Neighborhood Factor **	10	3	4	4	4
Waitlist	2	1	1	1	0
Tenant Impact	7	3	4	4	4
Planning, Site Intensification Potential	10	6	6	8	4
Transportation	5	1	0	1	1
Community Amenities	3	1	1	0	1
<b><u>FINANCE</u></b>					
Physical Bldg. Condition	5	3	3	2	2
2019 10 Year Capital Costs	7	7	7	2.5	4.5
Maintenance Costs (excl utilities)	5	3	3	3	3
Expired Mortgages/Debentures	3	3	2	2	2
<b>TOTAL POINTS</b>	<b>57.0</b>	<b>31.0</b>	<b>31.0</b>	<b>27.5</b>	<b>25.5</b>
<b>%</b>	<b>100%</b>	<b>54%</b>	<b>54%</b>	<b>48%</b>	<b>45%</b>
<b><u>BUILDING INFORMATION</u></b>					
Building type				Row	
		Apt.	Apt.	house	Apt.
Current units		10	16	31	36
Potential yield		0	0	0	0
Total Potential Units (Est.)		10	16	31	36

Notes:      \*\* Additional Comments on Neighborhood Factor

Not applicable

**Appendix C: Waterloo Region Housing Portfolio: Building Site Summaries**  
[www.regionofwaterloo.ca/WRHmasterplan](http://www.regionofwaterloo.ca/WRHmasterplan)

## Appendix D: Summary of Six Scenarios

### Waterloo Region Housing Master Plan

<u>Summary of Scenarios</u>	<u>Municipal Representation</u>	<u>Easiest to Build</u>	<u>Least Impact to Communities</u>	<u>Community Needs</u>	<u>Central Transit Corridor</u>	<u>Most Cost Effective</u>
	Scenario (1)	Scenario (2)	Scenario (3)	Scenario (4)	Scenario (5)	Scenario (6)
Proposed units	791	730	863	782	775	804
Existing units	<u>181</u>	<u>95</u>	<u>125</u>	<u>144</u>	<u>110</u>	<u>194</u>
Increase in units	610	635	738	638	665	610
<b>Estimated Capital Costs</b>	<b><u>\$ 229,267,000</u></b>	<b><u>\$ 233,546,000</u></b>	<b><u>\$ 251,987,000</u></b>	<b><u>\$ 246,556,000</u></b>	<b><u>\$ 239,226,000</u></b>	<b><u>\$ 227,140,000</u></b>
<b>Proposed Capital Financing</b>						
NHS Strategy Co-investment grants	\$ 46,794,000	\$ 44,472,000	\$ 46,559,000	\$ 50,051,000	\$ 45,566,000	\$ 45,740,000
NHS Co-investment (CHMC mortgage)	91,706,000	93,419,000	100,795,000	98,621,000	95,690,000	90,856,000
Long term borrowing	<u>90,765,000</u>	<u>95,656,000</u>	<u>104,633,000</u>	<u>97,884,000</u>	<u>97,970,000</u>	<u>90,544,000</u>
Total Proposed Financing	<b><u>\$ 229,265,000</u></b>	<b><u>\$ 233,547,000</u></b>	<b><u>\$ 251,987,000</u></b>	<b><u>\$ 246,556,000</u></b>	<b><u>\$ 239,226,000</u></b>	<b><u>\$ 227,140,000</u></b>
<b>Duration in Years (approx.)</b>	10	9	9	10	8	13
<b>Average Capital Cost Per Unit</b>	\$ 290,000	\$ 320,000	\$ 292,000	\$ 315,000	\$ 309,000	\$ 283,000
<b>Net Operating Budget Impact</b>						
Total incremental net property tax increase over capital life	\$ 2,051,000	\$ 2,518,000	\$ 2,670,000	\$ 2,774,000	\$ 2,424,000	\$ 1,754,000
Average annual incremental net property tax increase	\$ 186,000	\$ 252,000	\$ 267,000	\$ 252,000	\$ 269,000	\$ 125,000

### **Information on Scenarios:**

Additional information on each scenario is presented in Appendix H.

(1) Represents new housing units in three municipalities; Waterloo, Kitchener and Cambridge.

Sites Include: 1) High St., Waterloo 2) Courtland/Shelley, Kitchener 3) 60 Paulander, Kitchener 4) Langs, Cambridge

(2) Selected sites would be one of the easiest to build 600 housing units.

Sites Include: 1) Sunnydale, Waterloo 2) Kingscourt, Waterloo 3) Mooregate, Kitchener 4) Lauris Ave., Cambridge

(3) Only two communities will be redeveloped and be used for the relocation for tenants.

Sites Include: 1) Courtland/Shelley, Kitchener 2) Mooregate, Kitchener

(4) Waitlists for these communities are long; Region has services in each of the communities.

Sites Include: 1) Kingscourt, Waterloo 2) 82 Wilson, Kitchener 3) Mooregate, Kitchener 4) Weber, Kitchener 5) Langs, Cambridge

(5) Communities are within a 15 minute walk to an ION station.

Sites Include: 1) Albert St., Waterloo 2) Kingscourt, Waterloo 3) Courtland/Shelley, Kitchener

(6) This is the least expensive per unit and the longest build; includes communities with the lowest cost to get to 600 units.

Sites Include: 1) High St., Waterloo 2) Courtland/Shelley, Kitchener 3) 60 Paulander, Kitchener 4) 82 Wilson, Kitchener 5) Weber, Kitchener  
6) Lauris, Cambridge

## Appendix E: Financial Information on Waterloo Shortlisted Sites

Region of Waterloo  
Waterloo Region Housing (WRH) Master Plan  
Building and Unit Information, Waterloo

Appendix E  
Page i

WATERLOO	1 High St.	506-514 Sunnydale	416 Kingscourt	625-637 Albert St.
<u>Building Type:</u>				
Existing	Rowhouse	Rowhouse	Land	Rowhouse
Proposed	Apartment	Apt/Row	Apartment	Apartment
<u>Proposed Amenities:</u>				
Surface parking	73	140	29	109
Above/underground parking	-	-	81	154
Commercial space	-	-	-	-
<u>Planning Approvals Required:</u>				
Official plan amendment	-	-	-	Yes
Re-zoning	-	-	-	-
Minor variance	-	-	Yes	Yes
<u>Existing units:</u>				
1 Bedroom apt	-	-	-	-
2 Bedroom apt	-	-	-	-
3 Bedroom apt	-	-	-	-
2 Bedroom rowhouse	-	10	-	6
3 Bedroom rowhouse	11	20	-	23
4 Bedroom rowhouse	8	6	-	7
5 Bedroom rowhouse	2	4	-	4
Totals	21	40	-	40
<u>Proposed units:</u>				
1 Bedroom apt	74	25	20	-
2 Bedroom apt	18	47	23	188
3 Bedroom apt	18	14	11	50
2 Bedroom rowhouse	-	-	-	40
3 Bedroom rowhouse	-	-	4	8
4 Bedroom rowhouse	2	43	6	22
5 Bedroom rowhouse	1	10	6	10
Totals	113	139	70	318
<u>Unit Change</u>				
1 Bedroom apt	74	25	20	0
2 Bedroom apt	18	47	23	188
3 Bedroom apt	18	14	11	50
2 Bedroom rowhouse	-	(10)	-	34
3 Bedroom rowhouse	(11)	(20)	4	(15)
4 Bedroom rowhouse	(6)	37	6	15
5 Bedroom rowhouse	(1)	6	6	6
Totals	92	99	70	278

### Notes:

- 1) The evaluation matrix shortlisted 15 sites where development potential was identified. Upon further analysis, 31-45 Amos St. in Waterloo did not have potential as originally anticipated.
- 2) Sites listed above will require architectural, environmental and planning reports; amenities for parking, commercial space subject to change pending additional system drawings.
- 3) New project can be constructed on current site re: 416 Kingscourt Dr.; does not require demolition.

**Region of Waterloo  
Waterloo Region Housing (WRH) Master Plan  
Capital Cost and Financing Estimates, Waterloo  
(in \$000s)**

<b>WATERLOO</b>	<b>1 High St.</b>	<b>506-514 Sunnydale</b>	<b>416 Kingscourt</b>	<b>625-637 Albert St.</b>	
<b>Capital Costs</b>					<b>Notes</b>
<u>Construction Costs:</u>					1
Apartment/Rowhouse	\$ 17,132	\$ 22,163	\$ 13,120	\$ 53,801	
Rowhouse	-	4,924	-	-	
Parking Structure	-	-	3,167	4,710	
Sitework, ancillary, general requirements	5,015	8,615	4,590	15,463	2
Other construction costs	1,402	1,950	1,290	3,657	
Subtotal	23,549	37,652	22,167	77,631	
<u>Soft costs:</u>					
Planning approvals	-	-	4	65	3
General administration	40	40	40	40	4
Consulting services	2,355	3,765	2,217	7,763	5
Permits	235	377	222	776	6
Furniture, equipment	218	269	135	614	7
Tenant relocation	46	84	-	85	8
Allowances, contingencies	3,296	5,262	3,104	10,868	9
Facilities project management	706	1,071	626	2,219	10
Net HST expense	108	171	101	354	11
Subtotal	7,004	11,039	6,449	22,784	
<b>Total Project Costs</b>	<b>\$ 30,553</b>	<b>\$ 48,691</b>	<b>\$ 28,616</b>	<b>\$ 100,415</b>	
<b>Capital Financing</b>					
NHS Co-Investment grants	\$ 6,202	\$ 9,428	\$ 6,498	\$ 18,449	12
NHS Co-investment (CHMC mortgage)	12,221	19,476	11,446	40,167	13
Long term borrowing	12,130	19,787	10,672	41,799	14
<b>Total Financing</b>	<b>\$ 30,553</b>	<b>\$ 48,691</b>	<b>\$ 28,616</b>	<b>\$ 100,415</b>	
 Average cost per unit	 \$ 270,000	 \$ 350,000	 \$ 409,000	 \$ 316,000	

**Notes:**

Capital estimates are costed in 2019 dollars and are based on preliminary plans, and designs. Financing does not include the divestment potential of regional properties, funding from the Housing General Reserve or the costs of capital work that is not required due to the redevelopment of properties.

The following assumptions were used to determine the capital costs and financing:

- 1) Construction estimates are based without the benefit of detailed architectural, mechanical, electrical or processing system drawings and as such, estimates may be corrected within +/-20%.
- 2) Other construction costs were not included in the construction consultant's estimates:
  - i Leadership in Energy & Environmental Design (LEED) silver certification estimated at 2% of construction costs.
  - ii Suite metering estimated at \$600 per unit for water and electrical.
  - iii Flat fee estimate of \$300,000 for photovoltaic system per site; \$50,000 for storm water management.
  - v Security cameras estimated at \$896 per unit, per project.
  - vi Flat fee of \$30,000 for electric vehicle (EV) charging and \$20,000 for demolition where applicable.
  - viii HST expense estimated at 1.76% of BTY and other construction costs where applicable.
- 3) Flat fee of \$3,750 where applicable.
- 4) Flat fee of \$10,000 for general administration (photocopying, legal, etc.) and \$30,000 for public art.
- 5) Consulting fees are 10% of total construction costs; (includes architects, geotechnical , development consultants).
- 6) Permits estimated at 1% of total construction costs; expenses include site plans and building permits.
- 7) Furniture, equipment estimated at \$1,931 per unit; category includes unit appliances, common area furnishings, window coverings, garbage chutes, moloks.
- 8) Tenant relocation costs are project specific for existing tenants only; estimates include i) moving fees/utility connection and hotel costs for one week estimated for 25% of current units.
- 9) Design allowance, project and close out contingency estimated at 14% of total construction costs.
- 10) Project management fees estimated on BTY construction costs at 3%. Fees cover required staff hires to deliver the plan.
- 11) HST expense estimated at 1.76% of applicable soft costs.
- 12) NHS Co-investment grants approximates (18% to 23%) of project costs; amount of grant is contingent on application and program requirements being achieved. Grants can be used for costs related to pre-development/construction activities.
- 13) NHS Co-investment financing (CMHC mortgage) subject to change. Interest rate estimated at 1.8% for 50 year term and 10 year renewal.
- 14) Long term borrowing estimated at 4% interest rate over a term of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Revenue Impact Estimates, Waterloo  
 (in \$000s)

WATERLOO	1 High St.	506-514 Sunnydale	416 Kingscourt	625-637 Albert St.
----------	---------------	----------------------	-------------------	-----------------------

**2019 Year End Estimates**

**Rental Revenues**

Market rents	\$ -	\$ -	\$ -	\$ -
Affordable market rents	-	-	-	-
Rent geared-to-income rents (RGI)	139	282	-	292
Subtotal	139	282	-	292
Vacancy loss	(11)	(17)	-	(22)
Net rental revenues	128	265	-	270

**Non-rental revenues**

Laundry	-	-	-	-
Commercial rent	-	-	-	-
Parking	-	-	-	-
<b>Total Revenues</b>	<b>\$ 128</b>	<b>\$ 265</b>	<b>\$ -</b>	<b>\$ 270</b>

**Proposed Revenues**

Notes

**Rental Revenues**

Market rents	\$ 742	\$ 820	\$ 751	\$ 2,377	1
Affordable market rents	369	526	210	1,070	2
Rent geared-to-income rents	139	282	-	292	3
Subtotal	1,250	1,628	961	3,739	
Vacancy loss	(37)	(49)	(29)	(112)	4
Net rental revenues	1,213	1,579	932	3,627	

**Non-rental revenues**

Laundry	18	13	8	50	5
Commercial rent	-	-	-	-	6
Parking	33	63	36	118	7
<b>Total Revenues</b>	<b>\$ 1,264</b>	<b>\$ 1,655</b>	<b>\$ 976</b>	<b>\$ 3,795</b>	

**NET CHANGE, Increase**    **\$ 1,136**    **\$ 1,390**    **\$ 976**    **\$ 3,525**

---

**Notes:**

Operating revenues are costed in 2019 dollars (where applicable) and based on preliminary plans, designs and unit composition for each site which subject to change. The following assumptions were used to determine the operating revenues:

- 1) Market rents based on Canada Mortgage Housing Corporation (CMHC) 2019 average market rents by building type (apartment, rowhouse) and unit size.
- 2) Affordable rents calculated at 80% of the median market rents by building type and unit size. This is a requirement where approximately 30% of the units in the project are to be affordable in order to be eligible for grants/financing under the National Housing Strategy.
- 3) Rent geared-to-income rents based on August 2019. As service manager, the Region is required to maintain the existing number of RGI units per project site.
- 4) Industry standard is 3% for vacancy loss; applied on total rents.
- 5) Based on 2019 Waterloo Region Housing (WRH) laundry fee charges. Assumes 1 wash, 1 dry, per week, per unit.
- 6) Proposed building amenity reflects commercial rent at \$1,000 per month at 82 Wilson.
- 7) Revenues based on 75% of proposed number of parking spaces will be leased at a monthly charge of \$50 per parking spot.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Waterloo  
 (in \$000s)

WATERLOO	1 High St.	506-514 Sunnydale	416 Kingscourt	625-637 Albert St.
<b>2019 Year End Estimates</b>				
<b>Utilities</b>	\$ 112	\$ 194	\$ -	\$ 201
Natural gas	14	27	-	27
Electricity	16	40	-	37
Water	22	29	-	35
Storm water costs	5	4	-	5
Municipal Taxes	55	94	-	97
<b>Service Contracts</b>	23	30	-	30
Elevator maintenance	-	-	-	-
Waste removal	6	11	-	8
Grounds landscape	6	6	-	9
Grounds snow removal	6	7	-	7
Heating inspections	-	-	-	-
Life safety systems	3	4	-	5
Building janitorial	-	-	-	-
Pest control	2	1	-	1
Security services	-	1	-	-
<b>Other Maintenance Costs</b>	68	43	-	144
Building	4	3	-	14
Electrical	3	2	-	1
Equipment	-	-	-	-
Heating/plumbing	15	16	-	11
Unit repairs	46	22	-	118
<b>Interdepartmental Charges</b>	33	71	-	65
Insurance	3	13	-	7
Lifecycle provision	30	58	-	58
<b>Debt Servicing</b>	-	-	-	-
NHS mortgage costs	-	-	-	-
Debt costs hsg. properties (OHC)	-	-	-	-
<b>Total Expenses</b>	<b>\$ 236</b>	<b>\$ 338</b>	<b>\$ -</b>	<b>\$ 440</b>

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Waterloo  
 (in \$000s)

WATERLOO	1 High St.	506-514 Sunnydale	416 Kingscourt	625-637 Albert St.	
<b><u>Proposed Expenses</u></b>					
<b><u>Utilities</u></b>	\$ 260	\$ 373	\$ 180	\$ 753	<u>Notes</u>
Natural gas	19	38	14	55	9
Electricity	35	44	26	103	10
Water/wastewater	15	20	11	45	11
Storm water costs	7	12	4	19	12
Municipal Taxes	184	259	125	531	8
<b><u>Service Contracts</u></b>	116	142	74	326	
Elevator maintenance	6	6	6	17	13
Waste removal	15	18	9	42	14
Grounds landscape	22	27	14	62	15
Grounds snow removal	20	25	12	56	16
Heating inspections	8	10	5	22	17
Life safety systems	16	20	10	45	18
Building janitorial	20	24	12	55	19
Pest control	5	7	3	15	20
Security services	4	5	3	12	21
<b><u>Other Maintenance Costs</u></b>	27	34	18	78	
Building general	4	5	3	11	22
Electrical	1	2	1	4	23
Equipment	1	1	1	3	24
Heating/plumbing	3	4	2	9	25
Unit repairs	18	22	11	51	26
<b><u>Interdepartmental Charges</u></b>	65	80	40	183	
Insurance	24	30	15	68	27
Lifecycle provision	41	50	25	115	28
<b><u>Debt Servicing</u></b>	1,071	1,734	964	3,634	
NHS mortgage costs	370	590	347	1,217	29
Long term borrowing	701	1,144	617	2,417	30
<b>Total Expenses</b>	<b>\$ 1,539</b>	<b>\$ 2,363</b>	<b>\$ 1,276</b>	<b>\$ 4,974</b>	

---

**Notes:**

Operating expenses are costed in 2019 dollars and based on preliminary plans, design concepts and proposed unit composition for each site which is subject to change. The following price assumptions are net of HST (where applicable) and are used to determine the operating expenses presented in Appendix E, Page vii.

**Utilities and Municipal Taxes:**

- 8) Natural gas paid by Region and calculated at \$0.20 and \$0.46 per sq. ft. respectively for Apartment & Rowhouse.
- 9) Electrical costs for units to be paid by tenants. Electrical costs for common areas calculated at \$1.47 and \$.70 per sq. ft. respectively for Apartments and Rowhouses.
- 10) Water/wastewater costs for units to be paid by tenants. Water/wastewater costs for common area calculated at \$0.64 and \$0.56 per sq. ft. for common areas in Apartments and Rowhouse buildings.
- 11) Storm water costs paid by Region and calculated at \$60 and \$180 per unit, per year for Apartments and Rowhouses.
- 12) Calculated using 2019 new multi-residential tax rates for region, area municipality and education and applied to estimated property assessment values.

**Service Contracts:**

- 13) Elevator service contract and ongoing maintenance estimated at \$230 per elevator.
- 14) Waste removal estimated at \$11 per unit, per month.
- 15) Grounds landscape estimated at \$196 per unit.
- 16) Grounds snow removal estimated at \$178 per unit.
- 17) Heating inspections estimated at \$69 per unit.
- 18) Life safety maintenance estimated at \$141 per unit.
- 19) Building janitorial estimated at \$14 per unit.
- 20) Pest control estimated at \$48 per unit.
- 21) Security services estimated at \$38 per unit.

**Other Maintenance Costs:**

These are non-recurring costs for building maintenance and repairs. During the first several years of operations, these costs are typically low. Estimates are calculated by applying a discount to the 2018 actual per unit cost and inflated by Consumer Price Index(Ontario) for 2019:

- 22) Building general estimated at \$241 per unit.
- 23) Electrical estimated at \$79 per unit.
- 24) Equipment estimated at \$71 per unit.
- 25) Heating/plumbing estimated at \$184 per unit.
- 26) Unit repairs estimated at \$1,074 per unit.

**Interdepartmental Costs:**

- 27) Insurance estimated at \$212 per unit.
- 28) Lifecycle provision estimated at \$360 per unit. Similar to "Other Maintenance Costs", the annual contribution has been adjusted by applying a discount to the per unit amount over 10 years. At the end of 10 years, the annual contribution to the lifecycle reserve fund will equal the required contribution based on the Region's policy.

**Debt Servicing:**

- 29) NHS Co-investment (CMHC mortgage) debt servicing costs based on capital financing presented on Appendix E, Page iii re: Note 13. Costs calculated using an interest rate of 1.8% and amortization period of 50 years (10 year renewal term).
- 30) Long term debt servicing costs based on the financing required as presented on Appendix E, Page iii re: Note 14. Costs calculated using an interest rate of 4% and amortization period of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Net Property Tax Impact Estimates  
 (in \$000s)

WATERLOO	1 High St.	506-514 Sunnydale	416 Kingscourt	625-637 Albert St.
----------	---------------	----------------------	-------------------	-----------------------

**Net Property Tax Levy**

**2019 Year End Estimates**

Property Tax Levy	\$ 108	\$ 73	\$ -	\$ 170
-------------------	--------	-------	------	--------

**Proposed**

Property Tax Levy	\$ 275	\$ 708	\$ 300	\$ 1,179
-------------------	--------	--------	--------	----------

NET CHANGE, Increase	\$ 167	\$ 635	\$ 300	\$ 1,009
----------------------	--------	--------	--------	----------

**Unit Information**

Proposed units:	113	139	70	318
Existing units:	21	40	0	40
Unit Change, Increase	92	99	70	278

## Appendix F: Financial Information on Kitchener Shortlisted Sites

**Region of Waterloo  
Waterloo Region Housing (WRH) Master Plan  
Building and Unit Information, Kitchener**

**Appendix F  
Page i**

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber
<u>Building Type:</u>						
Existing	Rowhouse	Apt.	Rowhouse	Rowhouse	Rowhouse	Apt/Walk-up
Proposed	Apt/Row	Apt.	Apt.	Apt.	Apt.	Apt/Row
<u>Proposed Amenities:</u>						
Surface parking	57	-	-	126	45	-
Above/underground parking	186	-	-	256	30	-
Commercial space	-	Offices	-	-	-	-
<u>Planning Approvals Required:</u>						
Official plan amendment	-	-	-	-	-	Yes
Re-zoning	-	Yes	-	-	-	Yes
Minor variance	-	-	-	Yes	Yes	-
<u>Existing units</u>						
Bachelor apt	-	-	-	-	-	20
1 Bedroom apt	-	16	-	-	-	15
2 Bedroom apt	-	-	-	-	-	-
3 Bedroom apt	-	-	-	-	-	-
2 Bedroom rowhouse	23	-	26	24	25	-
3 Bedroom rowhouse	30	-	26	27	-	-
4 Bedroom rowhouse	13	-	-	4	-	-
5 Bedroom rowhouse	4	-	-	-	-	-
Totals	70	16	52	55	25	35
<u>Proposed units</u>						
Bachelor apt	-	-	-	-	-	-
1 Bedroom apt	259	48	112	291	12	32
2 Bedroom apt	52	-	20	135	42	8
3 Bedroom apt	50	-	25	14	24	8
2 Bedroom rowhouse	-	-	-	-	-	-
3 Bedroom rowhouse	8	-	-	12	-	-
4 Bedroom rowhouse	18	-	-	24	16	6
5 Bedroom rowhouse	-	-	-	-	-	-
Totals	387	48	157	476	94	54
<u>Unit Change</u>						
Bachelor apt	-	-	-	-	-	(20)
1 Bedroom apt	259	32	112	291	12	17
2 Bedroom apt	52	-	20	135	42	8
3 Bedroom apt	50	-	25	14	24	8
2 Bedroom rowhouse	(23)	-	(26)	(24)	(25)	-
3 Bedroom rowhouse	(22)	-	(26)	(15)	-	-
4 Bedroom rowhouse	5	-	-	20	16	6
5 Bedroom rowhouse	(4)	-	-	-	-	-
Totals	317	32	105	421	69	19
<u>Notes:</u>						
1) Sites listed above will require architectural, environmental and planning reports; amenities for parking, commercial space subject to change pending additional system drawings.						
2) 82 Wilson Ave. Kitchener has a higher degree of drawings/site specifications.						

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Capital Cost and Financing Estimates, Kitchener  
 (in \$000s)

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber	Notes
<b>Capital Costs</b>							
<u>Construction Costs:</u>							
Apartment/Rowhouse	\$ 49,916	\$ 7,619	\$ 23,354	\$ 79,323	\$ 18,294	\$ 6,870	1
Rowhouse	6,518	-	-	-	-	1,066	
Parking Structure	7,863	-	-	4,032	1,629	-	
Sitework, ancillary, general requirements	16,825	2,798	7,365	21,262	6,186	2,741	
Other construction costs	4,029	863	1,790	5,046	1,522	882	2
Subtotal	85,151	11,280	32,509	109,662	27,631	11,559	
<u>Soft costs:</u>							
Planning approvals	-	53	-	4	4	61	3
General administration	40	40	40	40	40	40	4
Consulting services	8,515	1,128	3,251	10,966	2,763	1,156	5
Permits	852	113	325	1,097	276	116	6
Furniture, equipment	747	103	303	919	182	104	7
Tenant relocation	147	30	105	113	46	65	8
Allowances, contingencies	11,922	1,579	4,551	15,353	3,868	1,619	9
Facilities project management	2,434	312	922	3,138	783	320	10
Net HST expense	389	53	149	499	126	56	11
Subtotal	25,046	3,411	9,646	32,129	8,088	3,537	
Total Project Costs	\$ 110,197	\$ 14,691	\$ 42,155	\$ 141,791	\$ 35,719	\$ 15,096	
<b>Capital Financing</b>							
NHS Co-Investment grants	\$ 20,619	\$ 3,507	\$ 9,338	\$ 25,942	\$ 6,650	\$ 3,469	12
NHS Co-investment (CHMC mortgage)	44,079	5,876	16,862	56,716	14,287	6,038	13
Long term borrowing	45,499	5,308	15,955	59,133	14,782	5,589	14
Total Financing	\$ 110,197	\$ 14,691	\$ 42,155	\$ 141,791	\$ 35,719	\$ 15,096	
Average cost per unit	\$ 285,000	\$ 306,000	\$ 269,000	\$ 298,000	\$ 380,000	\$ 280,000	

**Notes:**

Capital estimates are costed in 2019 dollars and are based on preliminary plans, and designs. Financing does not include the divestment potential of regional properties, funding from the Housing General Reserve or the costs of capital work that is not required due to the redevelopment of properties.

The following assumptions were used to determine the capital costs and financing:

- 1) Construction estimates are estimate without the benefit of detailed architectural, mechanical, electrical or processing system drawings and as such, estimates may be corrected within +/-20%.
- 2) Other construction costs were not included in the construction consultant's estimates:
  - i Leadership in Energy & Environmental Design (LEED) silver certification estimated at 2% of construction costs.
  - ii Suite metering estimated at \$600 per unit for water and electrical.
  - iii Flat fee estimate of \$300,000 for photovoltaic system per site; \$50,000 for storm water management.
  - v Security cameras estimated at \$896 per unit, per project.
  - vi Flat fee of \$30,000 for electric vehicle (EV) charging and \$20,000 for demolition where applicable.
  - viii HST expense estimated at 1.76% of BTY and other construction costs where applicable.
- 3) Flat fee of \$3,750 where applicable.
- 4) Flat fee of \$10,000 for general administration (photocopying, legal, etc.) and \$30,000 for public art.
- 5) Consulting fees are 10% of total construction costs; (includes architects, geotechnical , development consultants).
- 6) Permits estimated at 1% of total construction costs; expenses include site plans and building permits.
- 7) Furniture, equipment estimated at \$1,931 per unit; category includes unit appliances, common area furnishings, window coverings, garbage chutes, moloks.
- 8) Tenant relocation costs are project specific for existing tenants only; estimates include moving fees/utility connection and hotel costs for one week estimated for 25% of current units.
- 9) Design allowance, project and close out contingency estimated at 14% of total construction costs.
- 10) Project management fees estimated on BTY construction costs at 3%. Fees cover required staff hires to deliver the plan.
- 11) HST expense estimated at 1.76% of applicable soft costs.
- 12) NHS Co-investment grants approximates (18% to 23%) of project costs; amount of grant is contingent on application and program requirements being achieved. Grants can be used for costs related to pre-development/construction activities.
- 13) NHS Co-investment financing (CMHC mortgage) subject to change. Interest rate estimated at 1.8% for 50 year term and 10 year renewal.
- 14) Long term borrowing estimated at 4% interest rate over a term of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Revenue Impact Estimates, Kitchener  
 (in \$000s)

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber
-----------	----------------------	--------------	-----------------	--------------------	------------------	--------------

**2019 Year End Estimates**

**Rental Revenues**

Market rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Affordable market rents	-	-	-	-	-	-
Rent geared-to-income rents (RGI)	380	67	294	266	156	94
Subtotal	380	67	294	266	156	94
Vacancy loss	(28)	(5)	(21)	(18)	(16)	(6)
Net rental revenues	352	62	273	248	140	88

**Non-rental revenues**

Laundry	-	1	-	-	-	3
Commercial rent	-	-	-	-	-	-
Parking	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 352</b>	<b>\$ 63</b>	<b>\$ 273</b>	<b>\$ 248</b>	<b>\$ 140</b>	<b>\$ 91</b>

**Proposed Revenues**

Notes

**Rental Revenues**

Market rents	\$ 2,676	\$ 196	\$ 663	\$ 3,752	\$ 543	\$ 263	1
Affordable market rents	1,157	157	520	1,458	364	-	2
Rent geared-to-income rents	380	67	294	266	156	94	3
Subtotal	4,213	420	1,477	5,476	1,063	357	
Vacancy loss	(126)	(13)	(44)	(164)	(32)	(11)	4
Net rental revenues	4,087	407	1,433	5,312	1,031	346	

**Non-rental revenues**

Laundry	56	7	24	69	15	8	5
Commercial rent	-	12	-	-	-	-	6
Parking	142	49	51	113	20	17	7
<b>Total Revenues</b>	<b>\$ 4,285</b>	<b>\$ 475</b>	<b>\$ 1,508</b>	<b>\$ 5,494</b>	<b>\$ 1,066</b>	<b>\$ 371</b>	

**NET CHANGE, Increase** \$ 3,933 \$ 412 \$ 1,235 \$ 5,246 \$ 926 \$ 280

**Notes:**

Operating revenues are costed in 2019 dollars (where applicable) and based on preliminary plans, designs and unit composition for each site which are subject to change. The following assumptions were used to determine the operating revenues:

- 1) Market rents based on Canada Mortgage Housing Corporation (CMHC) 2019 average market rents by building type (apartment, rowhouse) and unit size.
- 2) Affordable rents calculated at 80% of the median market rents by building type and unit size. This is a requirement where approximately 30% of the units in the project are to be affordable in order to be eligible for grants/financing under the National Housing Strategy.
- 3) Rent geared-to-income rents based on August 2019. As service manager, the Region is required to maintain the existing number of RGI units per project site.
- 4) Industry standard is 3% for vacancy loss; applied on total rents.
- 5) Based on 2019 Waterloo Region Housing (WRH) laundry fee charges. Assumes 1 wash, 1 dry, per week, per unit.
- 6) Proposed building amenity reflects commercial rent at \$1,000 per month at 82 Wilson.
- 7) Revenues based on 75% of proposed number of parking spaces will be leased at a monthly charge of \$50 per parking spot.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Kitchener  
 (in \$000s)

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber
<b><u>2019 Year End Estimates</u></b>						
<b><u>Utilities</u></b>	\$ 297	\$ 48	\$ 316	\$ 183	\$ 143	\$ 100
Natural gas	50	4	17	34	14	4
Electricity	2	10	99	1	1	25
Water	96	6	89	42	20	19
Storm water costs	9	1	9	6	2	1
Municipal Taxes	140	27	102	100	106	51
<b><u>Service Contracts</u></b>	89	11	121	55	20	36
Elevator maintenance	-	-	-	-	-	3
Waste removal	23	1	26	9	7	3
Grounds landscape	13	2	19	10	2	6
Grounds snow removal	31	2	40	25	5	9
Heating inspections	-	-	-	-	-	-
Life safety systems	10	4	11	7	3	10
Building janitorial	-	-	-	-	-	-
Pest control	6	2	8	4	-	2
Security services	6	-	17	-	3	3
<b><u>Other Maintenance Costs</u></b>	56	14	121	95	33	151
Building	5	3	16	5	3	17
Electrical	3	2	6	1	1	-
Equipment	-	-	-	-	-	9
Heating/plumbing	17	1	5	13	5	18
Unit repairs	31	8	94	76	24	107
<b><u>Interdepartmental Charges</u></b>	112	26	87	88	40	57
Insurance reserve	11	3	12	9	4	6
Lifecycle provision	101	23	75	79	36	51
<b><u>Debt Servicing</u></b>	-	-	71	-	-	-
NHS mortgage costs	-	-	-	-	-	-
Debt costs hsg. properties (OHC)	-	-	71	-	-	-
<b>Total Expenses</b>	<b>\$ 554</b>	<b>\$ 99</b>	<b>\$ 716</b>	<b>\$ 421</b>	<b>\$ 236</b>	<b>\$ 344</b>

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Kitchener  
 (in \$000s)

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber	Notes
<b>Proposed Expenses</b>							
<b>Utilities</b>	\$ 923	\$ 117	\$ 371	\$ 1,204	\$ 259	\$ 133	
Natural gas	76	10	25	93	19	11	9
Electricity	104	19	48	175	36	15	10
Water/wastewater	46	8	21	76	16	7	11
Storm water costs	26	3	9	29	6	4	12
Municipal Taxes	671	77	268	831	182	96	8
<b>Service Contracts</b>	395	52	162	490	99	57	
Elevator maintenance	17	6	8	25	6	3	13
Waste removal	51	6	21	63	13	7	14
Grounds landscape	76	9	31	93	18	11	15
Grounds snow removal	69	9	28	85	17	10	16
Heating inspections	27	3	11	33	7	4	17
Life safety systems	54	7	22	67	13	8	18
Building janitorial	67	8	27	83	16	9	19
Pest control	19	2	8	23	5	3	20
Security services	15	2	6	18	4	2	21
<b>Other Maintenance Costs</b>	96	13	39	118	23	14	
Building general	14	2	6	17	3	2	22
Electrical	5	1	2	6	1	1	23
Equipment	4	1	2	5	1	1	24
Heating/plumbing	11	1	4	13	3	1	25
Unit repairs	62	8	25	77	15	9	26
<b>Interdepartmental Charges</b>	221	27	90	272	54	30	
Insurance	82	10	33	101	20	11	27
Lifecycle provision	139	17	57	171	34	19	28
<b>Debt Servicing</b>	3,967	485	1,434	5,139	1,288	506	
NHS mortgage costs	1,336	178	511	1,719	433	183	29
Regional debt costs	2,631	307	923	3,420	855	323	30
<b>Total Expenses</b>	<b>\$ 5,602</b>	<b>\$ 694</b>	<b>\$ 2,096</b>	<b>\$ 7,223</b>	<b>\$ 1,723</b>	<b>\$ 740</b>	
<b>NET CHANGE, Increase</b>	<b>\$ 5,048</b>	<b>\$ 595</b>	<b>\$ 1,380</b>	<b>\$ 6,802</b>	<b>\$ 1,487</b>	<b>\$ 396</b>	

**Notes:**

Operating expenses are costed in 2019 dollars and based on preliminary plans, design concepts and proposed unit composition for each site which is subject to change. The following price assumptions are net of HST (where applicable) and are used to determine the operating expenses presented in Appendix F, Page vii.

**Utilities and Municipal Taxes:**

- 8) Natural gas paid by Region and calculated at \$0.20 and \$0.46 per sq. ft. respectively for Apartment & Rowhouse.
- 9) Electrical costs for units to be paid by tenants. Electrical costs for common areas calculated at \$1.47 and \$.70 per sq. ft. respectively for Apartments and Rowhouses.
- 10) Water/wastewater costs for units to be paid by tenants. Water/wastewater costs for common area calculated at \$0.64 and \$0.56 per sq. ft. for common areas in Apartments and Rowhouse buildings.
- 11) Storm water costs paid by Region and calculated at \$60 and \$180 per unit, per year for Apartments and Rowhouses.
- 12) Calculated using 2019 new multi-residential tax rates for region, area municipality and education and applied to estimated property assessment values.

**Service Contracts:**

- 13) Elevator service contract and ongoing maintenance estimated at \$230 per elevator.
- 14) Waste removal estimated at \$11 per unit, per month.
- 15) Grounds landscape estimated at \$196 per unit.
- 16) Grounds snow removal estimated at \$178 per unit.
- 17) Heating inspections estimated at \$69 per unit.
- 18) Life safety maintenance estimated at \$141 per unit.
- 19) Building janitorial estimated at \$14 per unit.
- 20) Pest control estimated at \$48 per unit.
- 21) Security services estimated at \$38 per unit.

**Other Maintenance Costs:**

These are non-recurring costs for building maintenance and repairs. During the first several years of operations, these costs are typically low. Estimates are calculated by applying a discount to the 2018 actual per unit cost and inflated by Consumer Price Index(Ontario) for 2019:

- 22) Building general estimated at \$241 per unit.
- 23) Electrical estimated at \$79 per unit.
- 24) Equipment estimated at \$71 per unit.
- 25) Heating/plumbing estimated at \$184 per unit.
- 26) Unit repairs estimated at \$1,074 per unit.

**Interdepartmental Costs:**

- 27) Insurance estimated at \$212 per unit.
- 28) Lifecycle provision estimated at \$360 per unit. Similar to "Other Maintenance Costs", the annual contribution has been adjusted by applying a discount to the per unit amount over 10 years. At the end of 10 years, the annual contribution to the lifecycle reserve fund will equal the required contribution based on the Region's policy.

**Debt Servicing:**

- 29) NHS Co-investment (CMHC mortgage) debt servicing costs based on capital financing presented on Appendix F, Page iii re: Note 13. Costs calculated using an interest rate of 1.8% and amortization period of 50 years (10 year renewal term).
- 30) Long term debt servicing costs based on the financing required as presented on Appendix F, Page iii re: Note 14. Costs calculated using an interest rate of 4% and amortization period of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Net Property Tax Impact Estimates, Kitchener  
 (in \$000s)

KITCHENER	Courtland Shelley	82 Wilson	60 Paulander	Mooregate Cres.	45-53 Holborn	140 Weber
-----------	----------------------	--------------	-----------------	--------------------	------------------	--------------

**Net Property Tax Levy**

**2019 Year End Estimates**

Property Tax Levy	\$ 202	\$ 36	\$ 443	\$ 173	\$ 96	\$ 253
-------------------	--------	-------	--------	--------	-------	--------

**Proposed**

Property Tax Levy	\$ 1,317	\$ 219	\$ 588	\$ 1,729	\$ 657	\$ 369
-------------------	----------	--------	--------	----------	--------	--------

NET CHANGE, Increase	\$ 1,115	\$ 183	\$ 145	\$ 1,556	\$ 561	\$ 116
----------------------	----------	--------	--------	----------	--------	--------

**Unit Information**

Proposed units:	387	48	157	476	94	54
Existing units:	70	16	52	55	25	35
Unit Change, Increase	317	32	105	421	69	19

## Appendix G: Financial Information on Cambridge Shortlisted Sites

Region of Waterloo  
Waterloo Region Housing (WRH) Master Plan  
Building and Unit Information, Cambridge

Appendix G  
Page i

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.
<u>Building Type:</u>				
Existing	Land	Semi-detach	Rowhouse	Rowhouse
Proposed	Rowhouse	Apt.	Apt.	Apt.
<u>Proposed Amenities:</u>				
Surface parking	66	146	134	55
Above/underground parking	-	-	-	-
Commercial space	-	-	-	-
<u>Planning Approvals Required:</u>				
Official plan amendment	-	Yes	Yes	Yes
Re-zoning	Yes	Yes	Yes	Yes
Minor variance	-	-	-	-
<u>Existing units:</u>				
1 Bedroom apt	-	-	-	-
2 Bedroom apt	-	-	-	-
3 Bedroom apt	-	-	-	-
2 Bedroom rowhouse	-	-	10	4
3 Bedroom rowhouse	-	20	18	10
4 Bedroom rowhouse	-	6	10	4
5 Bedroom rowhouse	-	-	-	-
Totals	-	26	38	18
<u>Proposed units:</u>				
1 Bedroom apt	-	33	16	12
2 Bedroom apt	-	30	65	16
3 Bedroom apt	-	-	21	6
2 Bedroom rowhouse	-	-	-	-
3 Bedroom rowhouse	32	20	-	8
4 Bedroom rowhouse	9	18	32	8
5 Bedroom rowhouse	4	14	-	4
Totals	45	115	134	54
<u>Unit Change</u>				
1 Bedroom apt	-	33	16	12
2 Bedroom apt	-	30	65	16
3 Bedroom apt	-	-	21	6
2 Bedroom rowhouse	-	-	(10)	(4)
3 Bedroom rowhouse	32	-	(18)	(2)
4 Bedroom rowhouse	9	12	22	4
5 Bedroom rowhouse	4	14	-	4
Totals	45	89	96	36

Notes:

- 1) Sites listed above will require architectural, environmental and planning reports; amenities for parking, commercial space subject to change pending additional system drawings.
- 2) 30 Lauris Ave. is vacant land.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Capital Cost and Financing Estimates, Cambridge  
 (in \$000s)

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.	
<b>Capital Costs</b>					<u>Notes</u>
<u>Construction Costs:</u>					1
Apartment/Rowhouse	\$ -	\$ 19,050	\$ 25,918	\$ 10,602	
Rowhouse	7,233	2,467	-	-	
Parking Structure	-	199	-	-	
Sitework, ancillary, general requirements	3,044	7,522	8,000	3,400	
Other construction costs	854	1,671	1,876	1,007	2
Subtotal	<u>11,131</u>	<u>30,909</u>	<u>35,794</u>	<u>15,009</u>	
<u>Soft costs:</u>					
Planning approvals	51	62	62	62	3
General administration	40	40	40	40	4
Consulting services	1,113	3,091	3,579	1,501	5
Permits	111	309	358	150	6
Furniture, equipment	87	222	259	104	7
Tenant relocation	-	55	78	37	8
Allowances, contingencies	1,558	4,327	5,011	2,101	9
Facilities project management	308	877	1,018	420	10
Net HST expense	52	142	164	70	11
Subtotal	<u>3,320</u>	<u>9,125</u>	<u>10,568</u>	<u>4,485</u>	
Total Project Costs	<u>\$ 14,451</u>	<u>\$ 40,034</u>	<u>\$ 46,362</u>	<u>\$ 19,494</u>	
<b>Capital Financing</b>					
NHS Co-Investment grants	\$ 2,607	\$ 9,894	\$ 10,636	\$ 4,008	12
NHS Co-investment (CHMC mortgage)	5,780	16,013	18,545	7,798	13
Long term borrowing	6,064	14,126	17,182	7,689	14
Total Financing	<u>\$ 14,451</u>	<u>\$ 40,033</u>	<u>\$ 46,363</u>	<u>\$ 19,495</u>	
Average cost per unit	\$ 321,000	\$ 348,000	\$ 346,000	\$ 361,000	

**Notes:**

Capital estimates are costed in 2019 dollars and are based on preliminary plans, and designs. Financing does not include the divestment potential of regional properties, funding from the Housing General Reserve or the costs of capital work that is not required due to the redevelopment of properties.

The following assumptions were used to determine the capital costs and financing:

- 1) Construction estimates are estimated without the benefit of detailed architectural, mechanical, electrical or processing system drawings and as such, estimates may be corrected within +/-20%.
- 2) Other construction costs were not included in the construction consultant's estimates:
  - i Leadership in Energy & Environmental Design (LEED) silver certification estimated at 2% of construction costs.
  - ii Suite metering estimated at \$600 per unit for water and electrical.
  - iii Flat fee estimate of \$300,000 for photovoltaic system per site; \$50,000 for storm water management.
  - v Security cameras estimated at \$896 per unit, per project.
  - vi Flat fee of \$30,000 for electric vehicle (EV) charging and \$20,000 for demolition where applicable.
  - viii HST expense estimated at 1.76% of BTY and other construction costs where applicable.
- 3) Flat fee of \$3,750 where applicable.
- 4) Flat fee of \$10,000 for general administration (photocopying, legal, etc.) and \$30,000 for public art.
- 5) Consulting fees are 10% of total construction costs; (includes architects, geotechnical, development consultants).
- 6) Permits estimated at 1% of total construction costs; expenses include site plans and building permits.
- 7) Furniture, equipment estimated at \$1,931 per unit; category includes unit appliances, common area furnishings, window coverings, garbage chutes, moloks.
- 8) Tenant relocation costs are project specific for existing tenants only; estimates include i) moving fees/utility connection and hotel costs for one week estimated for 25% of current units.
- 9) Design allowance, project and close out contingency estimated at 14% of total construction costs.
- 10) Project management fees estimated on BTY construction costs at 3%. Fees cover required staff hires to deliver the plan.
- 11) HST expense estimated at 1.76% of applicable soft costs.
- 12) NHS Co-investment grants approximates (18% to 23%) of project costs; amount of grant is contingent on application and program requirements being achieved. Grants can be used for costs related to pre-development/construction activities.
- 13) NHS Co-investment financing (CMHC mortgage) subject to change. Interest rate estimated at 1.8% for 50 year term and 10 year renewal.
- 14) Long term borrowing estimated at 4% interest rate over a term of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Revenue Impact Estimates, Cambridge  
 (in \$000s)

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.
-----------	-------------------	-----------------	----------------------	------------------------

**2019 Year End Estimates**

**Rental Revenues**

Market rents	\$ -	\$ -	\$ -	\$ -
Affordable market rents	-	-	-	-
Rent geared-to-income rents (RGI)	-	168	256	107
Subtotal	-	168	256	107
Vacancy loss	-	(23)	(5)	(1)
Net rental revenues	-	145	251	106

**Non-rental revenues**

Laundry	-	-	-	-
Commercial rent	-	-	-	-
Parking	-	-	-	-
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 145</b>	<b>\$ 251</b>	<b>\$ 106</b>

**Proposed Revenues**

Notes

**Rental Revenues**

Market rents	\$ 472	\$ 770	\$ 699	\$ 294	1
Affordable market rents	185	453	504	200	2
Rent geared-to-income rents	-	168	256	107	3
Subtotal	657	1,391	1,459	601	
Vacancy loss	(20)	(42)	(44)	(18)	4
Net rental revenues	637	1,349	1,415	583	

**Non-rental revenues**

Laundry	-	18	20	8	5
Commercial rent	-	-	-	-	6
Parking	30	66	60	25	7
<b>Total Revenues</b>	<b>\$ 667</b>	<b>\$ 1,433</b>	<b>\$ 1,495</b>	<b>\$ 616</b>	

**NET CHANGE, Increase** \$ 667 \$ 1,288 \$ 1,244 \$ 510

---

**Notes:**

Operating revenues are costed in 2019 dollars (where applicable) and based on preliminary plans, designs and unit composition for each site which are subject to change. The following assumptions were used to determine the operating revenues:

- 1) Market rents based on Canada Mortgage Housing Corporation (CMHC) 2019 average market rents by building type (apartment, rowhouse) and unit size.
- 2) Affordable rents calculated at 80% of the median market rents by building type and unit size. This is a requirement where approximately 30% of the units in the project are to be affordable in order to be eligible for grants/financing under the National Housing Strategy.
- 3) Rent geared-to-income rents based on August 2019. As service manager, the Region is required to maintain the existing number of RGI units per project site.
- 4) Industry standard is 3% for vacancy loss; applied on total rents.
- 5) Based on 2019 Waterloo Region Housing (WRH) laundry fee charges. Assumes 1 wash, 1 dry, per week, per unit.
- 6) Proposed building amenity reflects commercial rent at \$1,000 per month at 82 Wilson.
- 7) Revenues based on 75% of proposed number of parking spaces will be leased at a monthly charge of \$50 per parking spot.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Cambridge  
 (in \$000s)

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.
<b>2019 Year End Estimates</b>				
<b>Utilities</b>	\$ -	\$ 89	\$ 169	\$ 71
Natural gas	-	1	25	12
Electricity	-	-	-	1
Water	-	28	57	17
Storm water costs	-	-	-	-
Municipal Taxes	-	60	87	41
<b>Service Contracts</b>	3	4	24	18
Elevator maintenance	-	-	-	-
Waste removal	-	-	7	2
Grounds landscape	3	1	4	8
Grounds snow removal	-	3	10	8
Heating inspections	-	-	-	-
Life safety systems	-	-	1	-
Building janitorial	-	-	-	-
Pest control	-	-	2	-
Security services	-	-	-	-
<b>Other Maintenance Costs</b>	-	18	19	18
Building	-	4	2	7
Electrical	-	3	2	3
Equipment	-	-	-	-
Heating/plumbing	-	5	6	4
Unit repairs	-	6	9	4
<b>Interdepartmental Charges</b>	-	42	61	29
Insurance reserve	-	4	6	3
Lifecycle provision	-	38	55	26
<b>Debt Servicing</b>	-	-	-	18
NHS mortgage costs	-	-	-	-
Debt costs hsg. properties (OHC)	-	-	-	18
<b>Total Expenses</b>	<b>\$ 3</b>	<b>\$ 153</b>	<b>\$ 273</b>	<b>\$ 154</b>

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Operating Expenses Impact Estimates, Cambridge  
 (in \$000s)

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.	
<b>Proposed Expenses</b>					
					<u>Notes</u>
<b>Utilities</b>	\$ 100	\$ 296	\$ 335	\$ 144	
Natural gas	9	28	27	12	9
Electricity	2	37	51	23	10
Water/wastewater	1	17	22	10	11
Storm water costs	3	9	8	3	12
Municipal Taxes	85	205	227	96	8
<b>Service Contracts</b>	38	117	141	57	
Elevator maintenance	-	6	11	3	13
Waste removal	-	15	18	7	14
Grounds landscape	9	22	26	11	15
Grounds snow removal	8	20	24	10	16
Heating inspections	3	8	9	4	17
Life safety systems	6	16	19	8	18
Building janitorial	8	20	23	9	19
Pest control	2	6	6	3	20
Security services	2	4	5	2	21
<b>Other Maintenance Costs</b>	11	28	34	14	
Building general	2	4	5	2	22
Electrical	1	1	2	1	23
Equipment	-	1	1	1	24
Heating/plumbing	1	3	4	1	25
Unit repairs	7	19	22	9	26
<b>Interdepartmental Charges</b>	26	65	76	30	
Insurance	10	24	28	11	27
Lifecycle provision	16	41	48	19	28
<b>Debt Servicing</b>	526	1,302	1,556	681	
NHS mortgage costs	175	485	562	236	29
Regional debt costs	351	817	994	445	30
<b>Total Expenses</b>	<b>\$ 701</b>	<b>\$ 1,808</b>	<b>\$ 2,142</b>	<b>\$ 926</b>	
<b>NET CHANGE, Increase</b>	<b>\$ 698</b>	<b>\$ 1,655</b>	<b>\$ 1,869</b>	<b>\$ 772</b>	

**Notes:**

Operating expenses are costed in 2019 dollars and based on preliminary plans, design concepts and proposed unit composition for each site which is subject to change. The following price assumptions are net of HST (where applicable) and are used to determine the operating expenses presented in Appendix G, Page vii.

**Utilities and Municipal Taxes:**

- 8) Natural gas paid by Region and calculated at \$0.20 and \$0.46 per sq. ft. respectively for Apartment & Rowhouse.
- 9) Electrical costs for units to be paid by tenants. Electrical costs for common areas calculated at \$1.47 and \$.70 per sq. ft. respectively for Apartments and Rowhouses.
- 10) Water/wastewater costs for units to be paid by tenants. Water/wastewater costs for common area calculated at \$0.64 and \$0.56 per sq. ft. for common areas in Apartments and Rowhouse buildings.
- 11) Storm water costs paid by Region and calculated at \$60 and \$180 per unit, per year for Apartments and Rowhouses.
- 12) Calculated using 2019 new multi-residential tax rates for region, area municipality and education and applied to estimated property assessment values.

**Service Contracts:**

- 13) Elevator service contract and ongoing maintenance estimated at \$230 per elevator.
- 14) Waste removal estimated at \$11 per unit, per month.
- 15) Grounds landscape estimated at \$196 per unit.
- 16) Grounds snow removal estimated at \$178 per unit.
- 17) Heating inspections estimated at \$69 per unit.
- 18) Life safety maintenance estimated at \$141 per unit.
- 19) Building janitorial estimated at \$14 per unit.
- 20) Pest control estimated at \$48 per unit.
- 21) Security services estimated at \$38 per unit.

**Other Maintenance Costs:**

These are non-recurring costs for building maintenance and repairs. During the first several years of operations, these costs are typically low. Estimates are calculated by applying a discount to the 2018 actual per unit cost and inflated by Consumer Price Index(Ontario) for 2019:

- 22) Building general estimated at \$241 per unit.
- 23) Electrical estimated at \$79 per unit.
- 24) Equipment estimated at \$71 per unit.
- 25) Heating/plumbing estimated at \$184 per unit.
- 26) Unit repairs estimated at \$1,074 per unit.

**Interdepartmental Costs:**

- 27) Insurance estimated at \$212 per unit.
- 28) Lifecycle provision estimated at \$360 per unit. Similar to "Other Maintenance Costs", the annual contribution has been adjusted by applying a discount to the per unit amount over 10 years. At the end of 10 year, the annual contribution to the lifecycle reserve fund will equal the required contribution based on the Region's policy.

**Debt Servicing:**

- 29) NHS Co-investment (CMHC mortgage) debt servicing costs based on capital financing presented on Appendix G, Page iii, re: Note 13. Costs calculated using an interest rate of 1.8% and amortization period of 50 years (10 year renewal term).
- 30) Long term debt servicing costs based on the financing required as presented on Appendix G, Page iii re: Note 14. Costs calculated using an interest rate of 4% and amortization period of 30 years.

Region of Waterloo  
 Waterloo Region Housing (WRH) Master Plan  
 Net Property Tax Impact Estimates, Cambridge  
 (in \$000s)

CAMBRIDGE	30 Lauris Ave.	2-52 Lumsden	581-595 Langs Dr.	127-161 Bechtel St.
<b><u>Net Property Tax Levy</u></b>				
<b><u>2019 Year End Estimates</u></b>				
Property Tax Levy	\$ 3	\$ 8	\$ 22	\$ 48
<b><u>Proposed</u></b>				
Property Tax Levy	\$ 34	\$ 375	\$ 647	\$ 310
NET CHANGE, Increase	\$ 31	\$ 367	\$ 625	\$ 262
<b><u>Unit Information</u></b>				
Proposed units:	45	115	134	54
Existing units:	0	26	38	18
Unit Change, Increase	45	89	96	36

## Appendix H: Estimated Construction Sched 1

ID	Task Mode	Task Name	Start	Finish	2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030							
					H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2			
1		WRH Master Plan	2020 January 06	2030 February 05																												
2		Scenario 4 - Community Needs	2020 January 06	2030 February 05																												
3		82 Wilson Avenue, Kitchener	2020 January 06	2022 November 23																												
4		Design	2020 January 06	2021 September 08																												
12		Demolition & Construction	2021 September 08	2022 September 29																												
24		Close-Out	2022 September 29	2022 November 23																												
28		416 Kingscourt, Waterloo	2020 January 06	2022 September 12																												
29		Design	2020 January 06	2021 July 27																												
37		Demolition & Construction	2021 July 27	2022 July 18																												
49		Close-Out	2022 July 18	2022 September 12																												
53		Langs, Cambridge	2021 January 25	2024 September 09																												
54		Design	2021 January 25	2022 December 12																												
62		Demolition & Construction	2022 December 12	2024 July 16																												
74		Close-Out	2024 July 16	2024 September 09																												
78		140 Weber St., Kitchener	2022 June 06	2026 August 28																												
79		Design	2022 June 06	2024 September 26																												
87		Demolition & Construction	2024 September 26	2026 July 06																												
99		Close-Out	2026 July 06	2026 August 28																												
103		Mooregate, Kitchener	2024 October 01	2030 February 05																												
104		Design	2024 October 01	2026 September 16																												
112		Demolition & Construction	2026 September 16	2029 October 17																												
124		Close-Out	2029 October 17	2030 February 05																												

## Appendix I: The Six Redevelopment Scenarios

### Scenario 1: Municipal Representation

Represents new housing units in Cambridge, Kitchener, and Waterloo

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	1 High St., Waterloo		30,552,000	113	21	92
2	Courtland/Shelley, Kitchener	parking structure	110,196,000	387	70	317
3	60 Paulander, Kitchener		42,155,000	157	52	105
4	Langs, Cambridge		46,362,000	134	38	96
<b>Totals:</b>			<b>\$ 229,265,000</b>	<b>791</b>	<b>181</b>	<b>610</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	46,794,000
NHS Co-investment financing (mortgage)	91,706,000
Regional debentures	90,765,000
<b>Totals:</b>	<b>\$ 229,265,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$ 7,219,000

Operating Budget Impact	
Gross incremental property tax increase over 11 years	\$ 3,094,000
Gross average incremental property tax increase over 11 years	\$ 281,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
10 years	Jan. 2020	Apr. 2030	\$ 290,000

#### Notes:

Timelines are approximate and subject to change.

Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

#### Pros

- Proposed developments in each of the three cities
- Courtland/Shelley on Central Transit Corridor (CTC); Langs site in close proximity
- Courtland/Shelley can be built in phases
- Courtland/Shelley has an opportunity for condominium sales and private development
- High St. has potential for commercial component
- Langs could include a public/non-profit partnership to create service hub in collaboration with Langs CHC
- Possibility to reduce parking structure footprint and costs for Courtland/Shelley
- Funding and financing opportunities available through the National Housing Strategy (NHS)

#### Cons

- Langs would require a phased relocation strategy (vacancy management)
- This may not meet all current community needs
- Divestment would not occur (due to limited Cambridge unit gains)

**Scenario 2: Easiest to Build**

These sites would be one of the easiest approaches to build 600 housing units and would not include condominiums.

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	506 - 514 Sunnydale, Waterloo		48,691,000	139	40	99
2	416 Kingscourt, Waterloo	parking structure	28,614,000	70	0	70
3	Mooregate, Kitchener	parking structure	141,791,000	476	55	421
4	30 Lauris Avenue, Cambridge	vacant land	14,451,000	45	0	45
<b>Totals:</b>			<b>\$ 233,547,000</b>	<b>730</b>	<b>95</b>	<b>635</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	44,472,000
NHS Co-investment financing (mortgage)	93,419,000
Regional debentures	95,656,000
<b>Totals:</b>	<b>\$ 233,547,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$ 4,169,000

Operating Budget Impact	
Gross incremental property tax increase over 10 years	\$ 3,432,000
Gross average incremental property tax increase over 10 years	\$ 343,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
9 years	Jan. 2020	Aug. 2029	\$ 320,000

Notes:

Timelines are approximate and subject to change.

Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

**Pros**

Proposed developments in each of the three cities

Sunnydale and Kingscourt are on the Central Transit Corridor (CTC)

No demolition required for two projects; could be constructed at the same time (416 Kingscourt and 30 Lauris)

Relocation of tenants would be easier due to increase of units at Lauris and Kingscourt

Possibility to reduce parking structure footprint and costs for 416 Kingscourt and Mooregate

Funding and financing opportunities available through the National Housing Strategy (NHS)

**Cons**

Divestment would not occur (due to limited Cambridge gains)

This may not meet all current community needs

### Scenario 3: Least Impact on Communities and Tenants

Only two communities will be redeveloped. Two communities will be used for the relocation for tenants.

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	Courtland/Shelley, Kitchener	parking structure	110,196,000	387	70	317
2	Mooregate, Kitchener	parking structure	141,791,000	476	55	421
<b>Totals:</b>			<b>\$ 251,987,000</b>	<b>863</b>	<b>125</b>	<b>738</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	46,559,000
NHS Co-investment financing (mortgage)	100,795,000
Regional debentures	104,633,000
<b>Totals:</b>	<b>\$ 251,987,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$ 3,421,000

Operating Budget Impact	
Gross incremental property tax increase over 10 years	\$ 3,134,000
Gross average incremental property tax increase over 10 years	\$ 313,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
9 years	Jan. 2020	Oct. 2028	\$ 292,000

#### Notes:

Timelines are approximate and subject to change.

Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

#### Pros

This scenario provides the most new affordable housing units

Least number of communities impacted

Courtland/Shelley is on the CTC

Courtland/Shelley and Mooregate can be built in phases

Courtland/Shelley has an opportunity for condominium sales and private development

Possibility to reduce parking structure footprint and costs for both sites

Potential to divest Lauris site (vacant land)

Funding and financing opportunities available through the National Housing Strategy (NHS)

#### Cons

No representation in Cambridge or Waterloo communities

This may not meet all current community needs

**Scenario 4: Community Needs Based**

Current waitlists for these communities are long and the Region already has brokered services in each of the communities.

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	416 Kingscourt, Waterloo	parking structure	28,614,000	70	0	70
2	82 Wilson Ave., Kitchener	comm. space	14,690,000	48	16	32
3	Mooregate, Kitchener	parking structure	141,791,000	476	55	421
4	140 Weber St., Kitchener	possible comm. space	15,096,000	54	35	19
5	Langs, Cambridge		46,362,000	134	38	96
<b>Totals:</b>			<b>\$ 246,553,000</b>	<b>782</b>	<b>144</b>	<b>638</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	50,049,000
NHS Co-investment financing (mortgage)	98,621,000
Regional debentures	97,883,000
<b>Totals:</b>	<b>\$ 246,553,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$ 7,385,000

Operating Budget Impact	
Gross incremental property tax increase over 11 years	\$ 3,646,000
Gross average incremental property tax increase over 11 years	\$ 331,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
10 to 11 years	Jan. 2020	Feb. 2030	\$ 315,000

Notes:

Timelines are approximate and subject to change.  
 Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

**Pros**

- Proposed developments in each of the three cities
- Kingscourt is on the CTC; Weber, Langs are within close proximity
- Meets needs of each communities based on the stakeholder consultation
- Langs could include a public/non-profit partnership to create service hub in collaboration with Langs CHC
- Allows for increased Community Services programming
- Construction can be split into phases for two sites
- Lauris property could be divested to a non-profit housing provider which would generate revenue
- Retain Ballantyne houses for other programs (i.e. affordable home ownership).
- Possibility to reduce parking structure footprint and costs for both sites
- Funding and financing opportunities available through the National Housing Strategy (NHS)

**Cons**

- More challenging relocation strategy due to vulnerable populations at Weber and Wilson
- There would need to be a significant relocation strategy (vacancy management) at Langs
- There may be multiple construction projects happening at the same time

**Scenario 5: Along the Central Transit Corridor (CTC)**

The communities are within a 15 minute walk to an ION station.

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	625 - 637 Albert St., Waterloo	parking structure	100,416,000	318	40	278
2	416 Kingscourt, Waterloo	parking structure	28,614,000	70	0	70
3	Courtland/Shelley, Kitchener	parking structure	110,196,000	387	70	317
<b>Totals:</b>			<b>\$ 239,226,000</b>	<b>775</b>	<b>110</b>	<b>665</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	45,566,000
NHS Co-investment financing (mortgage)	95,690,000
Regional debentures	97,970,000
<b>Totals:</b>	<b>\$ 239,226,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$ 4,447,000

Operating Budget Impact	
Gross incremental property tax increase over 9 years	\$ 3,468,000
Gross average incremental property tax increase over 9 years	\$ 385,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
8 years	Jan. 2020	Dec, 2027	\$ 309,000

**Notes:**

Timelines are approximate and subject to change.

Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

**Pros**

This scenario has communities all within the CTC

No demolition required at Kingscourt

Relocation of tenants would be easier due to net gain of units at Kingscourt

Construction can be split into phases for two sites

All three of the communities have opportunity for condominium sales and private development

Possibility to reduce parking structure footprint and costs for both sites

Lauris property could be divested to a non-profit housing provider which would generate revenue

Funding and financing opportunities available through the National Housing Strategy (NHS)

**Cons**

No distribution of units in Cambridge

This may not meet all current community needs

**Scenario 6: Most Cost Effective**

This scenario is the least expensive per unit and includes communities with the lowest cost to get to 600 units.

	Site	Features	Estimated Capital Costs	Proposed Units	Existing Units per Site	Increased Units
1	1 High St., Waterloo		30,552,000	113	21	92
2	Courtland/Shelley, Kitchener	parking structure	110,196,000	387	70	317
3	60 Paulander, Kitchener		42,155,000	157	52	105
4	82 Wilson Ave., Kitchener	comm. space	14,690,000	48	16	32
5	140 Weber St., Kitchener	possible comm. space	15,096,000	54	35	19
6	30 Lauris Avenue, Cambridge	vacant land	14,451,000	45	0	45
<b>Totals:</b>			<b>\$ 227,140,000</b>	<b>804</b>	<b>194</b>	<b>610</b>

Proposed Capital Financing	
National Housing Strategy Co-investment grant, seed funding	45,740,000
NHS Co-investment financing (mortgage)	90,856,000
Regional debentures	90,544,000
<b>Totals:</b>	<b>\$ 227,140,000</b>

WRH Capital Asset Renewal (2020/2029)	
Reflects cost of capital work not required due to redevelopment in this scenario	\$6,226,000

Operating Budget Impact	
Gross incremental property tax increase over 14 years	\$2,999,000
Gross average incremental property tax increase over 14 years	\$ 214,000

Duration	Start	Finish	Ave. Capital Cost Per Unit
13 years	Jan. 2020	Feb. 2033	\$ 283,000

**Notes:**

Timelines are approximate and subject to change.  
 Estimates are based on preliminary plans, designs and are costed in 2019 dollars.

**Pros**

- Proposed developments in each of the three cities
- Most cost effective
- Courtland/Shelley is on the CTC and Weber is in close proximity
- Courtland/Shelley can be split into phases
- Courtland/Shelley and High Street have the opportunity for condominium sales and/or commercial development
- Some community needs will be met with Weber St. and Wilson included
- There are some savings in parking space costs
- Funding and financing opportunities available through the National Housing Strategy (NHS)

**Cons**

- Relocation of tenants across cities would be challenging
- More communities are impacted
- Lauris will only provide a net gain of 45 units in Cambridge



## **Appendix K: Executive Summary of the WRH Master Plan Discussion Paper**

Since June 2017, staff from the Region of Waterloo, Tim Welch Consulting and GLPi have been working on creating the foundation for a Master Plan to guide the activities of Waterloo Region Housing over the next 20 years. The following Discussion Paper provides a summary of those efforts, the findings from stakeholder consultations and background research and recommendations on how to move forward with the creation of the WRH Master Plan.

### **Waterloo Region Housing - Background**

Waterloo Region Housing (WRH) is the largest provider of community housing in Waterloo Region with more than 2,700 units in 62 sites. Approximately 98.5% of these units have permanent Rent-Geared-to-Income supplements while the remaining 1.5% have rents that are at the low- end of market. In 2017, WRH had a tenant population of more than 11,800 individuals with almost 48% being under the age of 25. The primary source of income for tenants varies with 42% of tenants relying upon CPP/OAS and 33% receiving Ontario Works or ODSP. The remaining 24% received their income through employment related activities.

WRH's portfolio was created through has evolved over time through the construction of new buildings and the acquisition of existing assets from the community. As the majority of WRH's stock was constructed in the 1960s and 1970s, the average age of its buildings is 46 years. Approximately 50% of WRH units are for families while the remaining 50% is split between seniors housing (39%) and single and couple adult households (11%).

The operations and maintenance of WRH communities are split between staff from WRH and Facilities Management. While the former is primarily responsible for tenant management, the latter are responsible for undertaking general upkeep and capital repairs on WRH's 62 communities. While WRH operates and manages these units, they are owned by the Regional Municipality of Waterloo.

### **WRH vs. Service Manager Responsibilities**

One of the key findings from stakeholder consultations is that there is some confusion over the respective roles and responsibilities of WRH and the Region in its role as a Service Manager. This confusion partially reflects the organizational structure of the Region as WRH and the activities of the Service Manager are both run from the Community Services Department. Despite sharing the same department, WRH and the Service Manager have distinctly different roles and responsibilities as is shown on Table 1 (following page).

**Table 1: WRH and Service Manager Responsibilities**

<b>WRH Responsibilities</b>	<b>Service Manager Responsibilities</b>
<ul style="list-style-type: none"> <li>• Operate and manage the community housing portfolio owned by the Region</li> </ul>	<ul style="list-style-type: none"> <li>• Carry out measures to meet the goals of the 10-Year Housing and Homelessness Plan;</li> <li>• Administer housing programs from senior levels of government;</li> <li>• Report back to Ministry on housing strategies; and</li> <li>• Maintain service level standards (# of RGI units)</li> </ul>

**Waterloo Region Community Housing Stock**

At present, there are 9,755 units of community housing within the region which represents approximately 4.8% of all occupied dwellings within Waterloo Region. While 2,700 (28%) of these units are owned and operated by WRH, the remainder are owned and operated by a number of different organizations including non-profit and co-operative corporations and private sector organizations.

Since 2001, almost 1,600 units (100/year) of community has been created. The majority of this construction (1,536 units or 96/year) has been undertaken by the private sector, non-profit and co-operative sectors with funding from Federal/Provincial programs and incentives from the Region and lower-tier municipalities. During this time, WRH built 62 dwellings or 4 per year in two separate developments on the Sunnyside Long Term Care Home property in Kitchener.

**Key Benefits of WRH**

Over the course of this project, the majority of stakeholders believed that WRH had a number of key advantages or benefits compared to other community housing providers within the Region including:

- Providing high quality housing and support services to tenants;
- Being able to help the most vulnerable individuals within Waterloo Region
- Providing community housing where there is no interest or capacity from the private and non-profit sectors;
- Undertaking community development initiatives to provide support services and build recreational amenities;
- Preserving the Region’s supply community housing stock by assisting Projects in Distress (PIDs); and

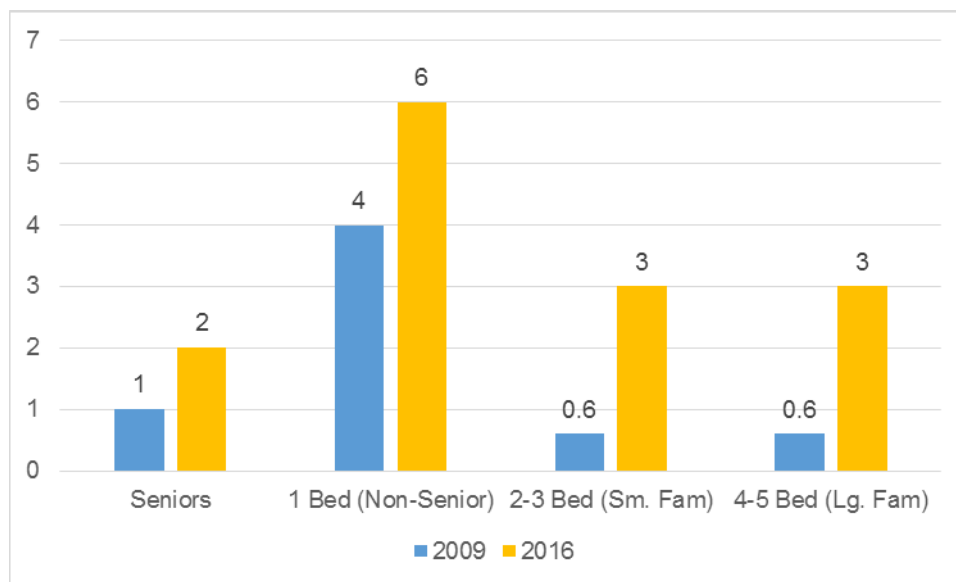
The ability to take risks due to WRH’s scale and access to resources.

## v. Key Regional and Provincial Trends

There are a number of key trends occurring at the regional and provincial level that are providing WRH with a once in a lifetime opportunity to remake itself into a more innovative and self-sustaining organization. These trends include:

- **Affordable Housing Need:** There is a growing need for affordable housing in Waterloo Region which is shown in the growing number of households with Core Housing Need (17,855 in 2011 and 22,075 in 2016, a difference of 4,220 households) and the growing time eligible households are waiting for an RGI unit. To keep pace with future growth and affordable housing needs, it is estimated that 155 units of community housing would need to be built annually which is an increase from the 100 units currently being built.

**Chart 1: Minimum Waiting Time (Years) for an RGI Unit in Waterloo Region, 2009 & 2017**



Source: 2009 ONPHA Waiting List Survey; Housing Stability Data Summary 2016/17, Region of Waterloo

- **Growth Plan for the Greater Golden Horseshoe:** The increase in housing affordability problems is partly due to the regulations contained with the Province's Growth Plan. By constraining the supply of developable greenfield lands, home prices, particularly for single detached dwellings, have risen dramatically in recent years. As a result, many households from the GTA are moving into the Region to take advantage of its comparatively lower home prices. Due to this influx, the median home price in Kitchener and Waterloo increased by 66% from \$243,000 to \$405,000 between 2008 and 2017. Similarly, the average market rent in the region has increased by 13% since 2013.

**National Housing Strategy:** In November 2017, the Federal government released the details of its ten year, \$40 billion National Housing Strategy. The Strategy is providing approximately \$8.5 billion in capital funding and surplus

- Federal lands for the purposes of creating new community housing units across Canada
- **Social Housing Modernization Program:** The Province has initiated a strategy to help transform the existing social housing sector into a more streamlined and entrepreneurial sector. To accomplish this, it is simplifying the administrative requirements social housing providers need to adhere to, relaxing RGI requirements for public housing projects (such as those owned by WRH) and taking steps to help encourage new forms of financing for community housing developments.
- **Collective Impact on WRH:** These trends and policies have had a number of impacts on WRH including:
  - Rising owner and rental housing costs has led to an increase in housing affordability problems and demand for affordable housing. Unfortunately, the supply of new community housing units has not been able to keep up with demand. As a result, the time spent waiting for an RGI unit at WRH and other community housing providers has increased significantly;
  - In order to keep pace with future growth, 155 community housing units will need to be built annually through WRH and/or non-government corporations (e.g. the private sector, non-profit and Co-operative housing providers);
  - Increased value for WRH's portfolio and in particular, the single and semi-detached dwellings which could be sold to help fund the redevelopment and construction of new WRH communities;
  - Higher average market rents could improve the viability of new developments by increasing annual operating revenues;
  - A sustained period of capital funding for new community housing from the Federal and perhaps Provincial government. As the plan is on a 10-year outlay, this could also allow WRH to identify and prepare for development activities well in advance of receiving capital funding from the Federal and Provincial governments; and
  - Allows WRH to significantly alter the way it currently operates such as methods of generating revenue (e.g. commercial and market rents, other sources) and finances new developments.

### **Key Assumptions Used**

To help create goals that were achievable and realistic for WRH to meet, a number of guiding principles or assumptions were used throughout the consultation process.

These assumptions include:

- Maintain the current number of RGI units;
- A decrease in long-term capital expenditures as WRH's aging stock is replaced;
- Ensure that all capital and operating costs are a part of the redeveloped or new WRH community budget;
- Increase operating revenue through the creation of commercial space, increasing the number of units paying average market rents and other opportunities;

- New WRH communities will be financially self-sustaining from an operating perspective minus RGI subsidies and/or portable housing benefits; and
- Region operating staff will increase by 1 person per 100 new units constructed by WRH.

### **Proposed WRH Vision and Mission Statement**

After a number of exercises, the following vision and mission statements for WRH were approved by Region stakeholders:

- *Our vision is...vibrant, people-centered affordable housing communities that contribute to quality of life, belonging and realizing potential.*
- *Our mission is... to create and maintain safe, quality affordable housing communities in which people can live well and thrive.*

### **Proposed Goals for WRH**

In support of WRH's vision and mission statement, five overarching goals and related sub-goals for WRH to achieve or support have been identified:

#### **1. Improve WRH Tenant Quality of Life and Living Experience:**

- 1A) Maintain quality physical conditions in WRH sites;
- 1B) Provide people centered services;
- 1C) Enhance access to community/support services, recreational and cultural programs;
- 1D) Strengthen tenant pride and belonging;
- 1E) Increase the mixture of incomes in WRH communities; and
- 1F) Enhance responsiveness to repair issues in WRH units/communities.

#### **2. Increase the Number of WRH Community Housing Units:**

- Option 1: In existing WRH communities, construct 600 new units (affordable and market) by 2038; and
- Option 2: Construct 1,000 new WRH units (600 through the redevelopment of existing WRH communities and 400 on new sites) by 2038.

#### **3. Greater Long Term Sustainability of WRH:**

- 3A) Ensure financial sustainability of new and existing WRH sites; and
- 3B) Enhance environmental sustainability of new and existing WRH sites.

#### **4. Develop and Maintain a Positive Brand for WRH:**

- 4A) Reduce the stigma associated with WRH communities;
- 4B) Improve the image and perceptions of WRH.

#### **5. Contribute to Implementing the Region of Waterloo's Strategic Plan**

- 5A) New and redeveloped WRH sites will support Regional policies (e.g. Regional Official Plan, Housing Plan, Corporate Strategic Plan etc.)

5B) Enhance inter-departmental integration and coordination (e.g. between facilities and WRH, finance, legal, health etc.)

## Proposed Roles and Models for WRH

In the summer and fall of 2017, staff from TWC and GLP*i* asked stakeholders to evaluate four potential organizational roles and models that WRH could take over the next 20 years. Stakeholders felt that the following roles or models for WRH were not suitable or appropriate:

- **Status Quo:** In general stakeholders generally felt that this option was the bare minimum WRH should be doing due to the significant demand for affordable and market rental housing in the Region as well as the growing capital repair needs for WRH's existing housing portfolio;
- **Divesting all of WRH's Stock:** All but a small minority of stakeholders saw divesting the entire WRH stock as a feasible or desirable solution. There were a number of concerns with this model including potential political and community backlash, capacity concerns with non-profit sector, reduced tenant satisfaction and the potential for divested buildings to physically decline due to poor management and insufficient resources.
- **Divesting WRH's Multi-Unit Buildings:** The majority of stakeholders were quite hesitant to divest WRH's multi-unit buildings to the private and community housing sectors due to the high cost of preparing the buildings for sale, the need for Region staff to oversee the divested stock to ensure the Region's standards are being met and concerns over the ability of the private and non-profit sector to maintain proper maintenance standards and tenant relations; and
- **Advocate/Facilitate New Community Housing:** Many felt that WRH should focus solely on managing the Region owned stock and that this activity should be undertaken by the Region in its Service Manager capacity.

In contrast, stakeholders felt that the following roles or models were suitable or appropriate for WRH:

- **Redevelop Existing WRH Communities:** Overall there was strong support to redevelop existing WRH communities where long-term capital costs were higher than the cost of redevelopment, land is underutilized, is in close proximity to transit and amenities and where need is highest. There was also a strong desire to partner with lower tier municipalities, community support service agencies as well as the private and non-profit sector to help create complete communities.
- **Divesting WRH's Single Detached Dwellings:** There was almost strong unanimous support for selling WRH's single detached dwellings to help fund the redevelopment of existing or build new WRH communities. An important caveat of this activities is that the sold units are replaced in WRH development activities so that no RGI units are lost.

## **Proposed Service Manager Roles**

Stakeholders identified that all facilitation and capacity building activities should remain with the Service Manager. To help strengthen the community housing sector over the next 20 years, the following goals and sub-goals were created for the Service Manager:

- 1. Improve Community Housing Tenant Quality of Life/Living Experience**
  - 1A) Strengthen tenant pride and belonging in private non-profit/ co-op community housing sector; and
  - 1B) Enhance coordination between different Regional and community support service providers.
- 2. Increase the Number of Community Housing Units**
  - 2A) Facilitate new community housing development for non-profit and private sector organizations.
- 3. Greater Long Term Sustainability of Community Housing Sector**
  - 3A) Share operational best practices among community housing providers; and
  - 3B) Advocacy role to all levels of government and within community
- 4. Develop and Maintain a Positive Brand for Community Housing**
  - 4A) Educate community on benefits of community housing

## **Potential WRH Structures**

After discussing a number of potential concepts for the potential organizational structure of WRH, two potential structures were favoured by Region stakeholders for further exploration: Option 1, where WRH undertakes development activities and Option 2, where ROWCHI is to responsible for building WRH's new community housing developments

- Option 1: In this scenario all development activities would take place within WRH's and the Region's existing organizational structure. While Facilities Management Staff would have the lead for the 'hard' aspects of construction, WRH staff would be responsible for aspects related to tenant relations.  
Option 2: In this scenario, development activities would take place within ROWCHI, an arm's length corporation from the Region of Waterloo. While ROWCHI would be responsible for all of the 'hard' aspects of development, WRH staff would continue to work with all aspects of the project where tenants are impacted. In this scenario, the new development could be held by ROWCHI or be transferred to the Region upon completion. ROWCHI could also hire existing Region staff as "consultants" rather than hiring its own set of staff.

**Table 2: Potential Roles of Region and ROWCHI**

	Facilities Mgmt.	WRH	ROWCHI	Finance	Procurement
<b>Procurement of Services/Pre Development</b>					
Hire Design Consultants	Opt. 1	Opt. 1/2	Opt. 2	Opt. 1	Opt. 1
Hire Project Mgmt. Consult	Opt. 1	Opt. 1/2	Opt. 2	Opt. 1	Opt. 1
Hire Contractor	Opt. 1	Opt. 1/2	Opt. 2	Opt. 1	Opt. 1
Relocating Ext. Tenants	Opt. 1	Opt. 1/2			
<b>Project Design</b>					
Input on Design Specs.	Opt. 1	Opt. 1/2	Opt. 2		
Review Drawing Specs.	Opt. 1	Opt. 1/2	Opt. 2		
<b>Construction</b>					
Monitor Construction			Opt. 2		
<b>Tenant Move-In, Building Occupancy</b>					
Tenant Move In		Opt. 1/2			
Tenant Concerns		Opt. 1/2			
Operate Site		Opt. 1/2			
Maintainance Act.	Opt. 1/2				

Table 3 shows that there are a number of advantages and disadvantages with Options 1 and 2. Based on this high level summary, it appears that the primary advantage of Option 2 is to obtain alternative forms of financing for WRH development activities.

**Table 3: Advantages and Shortcomings of Options 1 and 2**

	Option 1	Option 2
Organizational Structure	<ul style="list-style-type: none"> <li>• Uses existing structure, no need for changes</li> </ul>	<ul style="list-style-type: none"> <li>• Changes made to structure, new organization created</li> </ul>
Communication	<ul style="list-style-type: none"> <li>• No or slight changes may be required</li> </ul>	<ul style="list-style-type: none"> <li>• Additional department to coordinate communication</li> </ul>
Financing	<ul style="list-style-type: none"> <li>• Less flexible, can only obtain debentures</li> </ul>	<ul style="list-style-type: none"> <li>• More flexible, can obtain private debt, slow capital, alternative forms of financing</li> </ul>
Staffing Levels	<ul style="list-style-type: none"> <li>• Requires additional staff</li> </ul>	<ul style="list-style-type: none"> <li>• Requires additional staff</li> </ul>

## Recommendations:

1. Region staff should incorporate the vision and mission statement contained in this document into the WRH Master Plan. There is minimal to no costs to the Region for adopting these statements.
2. Region staff should incorporate Goal 1, Improve WRH Tenant Quality of Life and Living Experience, and its related sub-goals and targets into the WRH Master Plan. The purpose of this goal is to help maintain and build off recent improvements in relations between Region staff and WRH tenants. The impact of implementing this goal will vary depending on the activities proposed.
3. Region staff should incorporate Goal 3, Greater Long Term Sustainability of WRH, and its related sub-goals and targets into the WRH Master Plan. The intent of this goal is to help improve the financial sustainability of WRH by reducing its overall impact on the Region's tax levy through generating greater revenue and lowering operating expenses. An additional aspect of sustainability refers to shrinking WRH's impact has on the environment. The potential impact financial impact from implementing Goal 3 varies and some items may be subject to council approval due to their costs.
4. Region staff should incorporate Goal 4, Develop and Maintain a Positive Brand for WRH, and its related sub-goals and targets into the WRH Master Plan. The goal is important to WRH and its tenants as it can help build political and community support for new activities or initiatives and reduce the stigma associated community housing. The potential impact financial impact from implementing Goal 4 varies depending on the activities being proposed
5. Region staff should incorporate Goal 5, Contribute to Implementing the Region of Waterloo's Strategic Plan, and its related sub-goals and targets into the WRH Master Plan as it helps ensure that WRH activities support the Region's own goals and improve coordination between Regional departments.
6. Due to the potential costs associated with Goal 2, it is recommended that Region staff undertake a detailed examination of Options 1 and 2 to determine their overall feasibility (financially, number of units etc.) due to their cost implications and the need for additional staff. Once approved by Council, the preferred Option should be included in WRH's Master Plan to help guide future activities.
7. It is recommended that the Wilson Avenue Apartment Building be used as a pilot project to determine the best approaches for future WRH developments. This includes the optimal organizational structure, preferred construction delivery model and the respective roles of region staff among other aspects. While the construction of the Wilson Avenue apartment building is subject to Council approval due to its capital costs, the cost of examining the pros and cons of the approaches used during this pilot project are minimal.

It is recommended that Region staff update the existing Asset Revitalization Report once direction from Council on the number of units WRH should built is known. There may be some modest costs for Region staff to update some key

8. figures and assumptions used in the capital and operating budgets contained within the report.
9. It is recommended that Region staff explore the feasibility of using ROWCHI to undertake development activities for WRH. The timing of this investigation should occur after Council provides direction on the number of new community housing units WRH should build over the next 20 years, the findings from the Wilson Avenue Pilot Study and an updates to the Asset Revitalization Report to ensure that proper comparisons between the existing and/or proposed development models can be made. There may be some modest costs for Region staff to undertake this feasibility study. The actual cost implications of using ROWCHI as a developer is not known at the moment and would most likely be subject to Council approval before it could be employed for a WRH development.
10. If given the mandate to build communities on new sites, it is recommended that WRH should release an Expression of Interest to the lower tier municipalities within the region to see if they are interested in providing any surplus land or additional incentives to facilitate the construction of a new WRH community. There may be some modest costs for Region staff to prepare an Expression of Interest and review submissions. If land is purchased or transferred to the Region, additional costs may be incurred and could be subject to Council approval.