



COUNTY OF
LAMBTON

HOUSING SERVICES DEPARTMENT

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July 16, 2009

Expressions of Interest to Develop Affordable Housing EOI-2009-H001

The County of Lambton is requesting responses to this Expression of Interest from non-profit and private sector organizations wishing to create affordable rental housing within the County. Responses to this EOI received by the County of Lambton will be considered for funding opportunities through the Canada-Ontario Affordable Housing Extension Program.

Lambton County would like to hear from respondents their ideas, concepts or specific responses to create new affordable housing for low and moderate income households.

PROCESS

The County will review all expressions of interest and gauge the amount of interest in the project and the general viability of the endeavor. After a review of submissions received the County may request more details including a capital and operating budget for each project.

Once the County is satisfied the project has merit, will meet the needs of the Community and is viable County Council approval will be sought. If received an application will be submitted to the Ministry of Municipal Affairs and Housing (MMAH) for consideration.

The County reserves the right to reject all expressions of interest and to take no further action.

Once a project has been selected and approved for AHP funding, it will receive a Conditional Letter of Commitment (CLC) from the MMAH. The CLC confirms the ministry's approval of the project and outlines the steps that must be taken prior to the respondent and the county entering into a Contribution Agreement (CA). **Construction must begin within three months of the CA date.**

RESPONSES

The housing can be:

- new construction,
- conversion of a non-residential building to rental housing
- conversion/acquisition of existing rental housing into affordable rental housing (with preference to projects that provide either significantly lower rent levels, major renovations to existing poorly maintained rental units or adds units to existing rental housing)

While the rental housing can be for a range of unit sizes, it should be noted that the greatest need on the County's assisted housing waiting list is for one and two bedroom units.

Under the New Rental Housing Component of the Canada Ontario Affordable Housing Program, the average combined federal and provincial contribution is \$120,000 per unit, with a maximum combined contribution of \$150,000. Funding is in the form of a long term forgivable capital loan that is available during the development and construction phase of the project. Private sector respondents are required to provide a minimum of 10% equity; Non-profit organizations or partnership ventures between private sector and non-profit organizations must provide a minimum of 4% equity to the project.

AHP Extension funding will be provided as a long term forgivable capital loan registered against the property. Housing respondents requesting this capital funding will be required to accept the terms of the operating agreement as set by the Province of Ontario. The housing created must remain affordable for at least 25 years. Preference will be given for responses where the housing remains affordable for more than 25 years.

While the County will permit Rental AHP capital funding for projects which are registered as condominiums, responses which are permanent rental housing will be given preference.

Unit Size

Units must be similar in size and amenities to other housing in the community. The following provincial average size requirements will be used for new construction apartments:

One bedroom	60.4 square meters
Two bedroom	79.0 square meters
Three bedroom	92.9 square meters

The average monthly rents for apartments should be no greater than the following amounts (Jan, 2009 rates):

Type of unit	Monthly Rent
One Bedroom	\$502
Two Bedroom	\$577
Three Bedroom	\$746

While the County would allow the affordable rental housing to bill separately for utilities, preference will be given for rental housing which is made more affordable by including some or all utilities in the monthly rent.

Apartment buildings being proposed in excess of one floor must include accessibility to additional floors i.e. include an elevator. Preference will be given to Responses that incorporate energy efficiency measures, positive design, and barrier free features for persons with disabilities.

Responses will also be evaluated with the consideration of meeting the needs as indicated on the County's waiting list and Affordable Housing Study. The Affordable Housing Study may be found on the County of Lambton website at www.lambtononline.com. When evaluating expressions of interest, Lambton County will also give consideration to meeting "smart growth" planning goals of development occurring in close proximity to full municipal services, a wide range of goods and services being available, and public transit (in Sarnia).

Other Potential Assistance

Respondents of rental buildings with 7 or more units will benefit by effectively paying property tax at a rate equivalent to the single family residential rate rather than the multi-residential rate.

Respondents will be responsible for all municipal fees and development charges although respondents may request that the area municipalities reduce or waive fees and/or charges.

Other Information

Respondents must arrange for their own construction and mortgage financing and obtain a Certificate of Insurance through the Canada & Mortgage Housing Corporation.

For more information on the Canada-Ontario Affordable Housing Program, see the Ontario Ministry of Municipal Affairs and Housing website at www.mah.gov.on.ca.

Who will be Housed?

Responses should focus on providing housing to priority groups such seniors, persons with disabilities, low income working persons, victims of domestic violence, Aboriginals, and persons receiving social assistance.

- Tenants moving into the affordable housing created by this expression of interest will have incomes that are no greater than four times the occupancy cost of the affordable housing units. Occupancy cost is the rental amount plus any additional charges required by the respondent.

In addition, the County is interested in hearing how the responses will help house applicants currently on the County's assisted housing waiting list.

Preferences

While all responses to the EOI will be considered, the County is most interested in responses which are construction ready:

- Building site is acquired
- Zoning is in place
- Council approval has been obtained
- Building permit has been obtained
- Financial viability has been proven
- The project targets a priority group

The County will also give priority to responses which:

- have rent levels lower than those listed in the EOI
- include all utilities in rent
- request significantly less than the \$120,000 per unit in capital funding
- feature energy efficiency measures
- offer positive design features
- offer accessibility features for persons with disabilities including access to floors in excess of one
- house applicants currently on the County's assisted housing waiting list
- are located in close proximity to existing services
- offer affordability for longer than 25 years
- are not registered as condominium

What to include in responding to the Expression of Interest

In the response to the EOI, respondents should include:

- the name of the respondent and the key contact information (phone number, fax number, mailing address, e-mail address)
- the respondent's experience in residential development, construction and sales
- the location/address of the proposed site, if known
- the zoning of the site (including any information as to need for rezoning/minor variances etc.)
- the environmental status of the land (include a copy of a phase 1 environmental assessment, if completed)
- the number of units offered for this program, and the type and size of units

- the proposed rents (and whether utilities are likely to be included) or sale prices and condominium fees, if any
- a preliminary capital budget and, if applicable, an operating budget
- mortgage financing details (if known)
- any relevant partnerships
- three references that may be contacted. Include their name, position, organization, and telephone number.

Three copies of the response must be marked “Affordable Housing EOI” and delivered to the attention of:

**Lola Dudley
County of Lambton
Housing Services Department
150 N. Christina St.
Sarnia, ON N7T 8H3**

Any questions relating to this EOI should be forwarded in writing to Lola Dudley, Housing Services Department, 150 Christina Street, Bayside Mall, 2nd Floor, Sarnia, N7T 8H3 or e-mailed to her at lola.dudley@county-lambton.on.ca. All questions received along with the County’s responses will be broadcast to all interested parties.

Administrative Issues Regarding the EOI

The County is not liable for any costs incurred by respondents in the preparation of a response to this EOI. The County shall not be responsible for any liabilities, costs, expenses, loss or damage occurred, sustained or suffered by any respondent, prior to or subsequent to, or by reason of any delay in the acceptance of the response to the EOI.

The County reserves the right to request respondents to clarify any information related to their Expression of Interest.

The information submitted in response to this EOI will be treated in accordance with the relevant provisions of the Municipal Freedom of Information and Protection of Privacy Act.