CITY OF WHITEHORSE DATE: August 30, 2021

SPECIAL Council Meeting #2021-18 TIME: 5:30 p.m.

COUNCIL CHAMBERS at City Hall

Mayor Dan Curtis

Deputy Mayor Samson Hartland

Reserve Deputy Mayor Steve Roddick

AGENDA

CALL TO ORDER 5:30 p.m.

AGENDA Adoption

NEW AND UNFINISHED BUSINESS

1. Rapid Housing Initiative Application – Safe at Home Supportive Housing Project

ADJOURNMENT

ADMINISTRATIVE REPORT

TO: City Council
FROM: Administration
DATE: August 30, 2021

RE: Rapid Housing Initiative Application - Safe at Home Supportive Housing

Project

ISSUE

Canada Mortgage and Housing Corporation (CMHC) has earmarked \$5M in funds through the Rapid Housing Initiative (HRI) Program to the City of Whitehorse. CMHC requires submission of an application for the Safe eligible housing proposal by August 31, 2021 which Council must authorize Administration to submit.

REFERENCE

CMHC Rapid Housing Initiative Procurement Policy Housing Incentive Policy

Safe at Home – A Community Based Action Plan to End and Prevent

Homelessness in Whitehorse Yukon

Whitehorse PiT Count 2021 - Community Report

Letter of support from Minister responsible for Yukon Housing Corporation, August 25. 2021

Letter requesting an extension of the RHI program deadline from Mayors Curtis, Alty and Brewster to Ministers Hussen and Vandal, July 30, 2021

HISTORY

The Rapid Housing Initiative (RHI) is a program funded by the CMHC to help address urgent housing needs of vulnerable Canadians, especially in the context of COVID-19, through the rapid construction of affordable housing¹.

Through the RHI, the CMHC has allocated \$1.5 billion to address housing needs of vulnerable people. The first intake was completed in late 2020 and a second intake was announced in July. With both intakes, two streams were created for proposals to be submitted including a "project stream" which anyone could apply to, and a "Cities stream" reserved for intakes from 30 selected municipalities. Whitehorse was identified as an eligible municipality and \$5 million was reserved subject to approval of an eligible project.

Safe at Home Society ("the Society"), a Whitehorse based non-profit group that works to address issues of homelessness in Whitehorse and implement the Safe at Home Plan, has negotiated an agreement with a local developer to purchase and renovate a hotel property located at 4151 – 4th Avenue for the creation of 55 supportive housing units. The property would be sold for \$10M and an additional

¹ https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/rapid-housing

\$4-5M would be required for renovations of the hotel units to standalone dwelling units.

The Society's proposal was reviewed earlier this year by CMHC in a previous RHI intake under a "projects stream" which had much more competition. The project was found to be eligible, but was unsuccessful due to funding limitations. CMHC then identified an opportunity for the project to be considered through the Cities funding stream.

On August 25, 2021, the Minister responsible for Yukon Housing Corporation (YHC) confirmed the YHC's intent to support the application, subject to formal approval of federal RHI funding, operation plans and long-term financial and program viability for the project (see attached letter). YHC has also indicated that it will require that it be listed as the owner of the property should the Society collapse or fail financially. This will allow it to assume responsibility for the ownership and operation of the facility, and ensure funding conditions are fulfilled.

The City is one of the government partners that supports the *Safe at Home* plan. This plan recognizes the responsibility and accountability for homelessness is not that of one government, and instead should be community-led and supported community-wide by multiple governments and partners.

While the City is not mandated to develop or operate housing, the City is responsible for land use planning and development regulation and will from time to time consider contributing to others' efforts in the spirit of shared community responsibility. This RHI program is an opportunity to provide additional external funding to partners who are in a position to provide housing.

The transfer of the RHI funds from the City to YHC is not subject to the City Procurement Policy.

ALTERNATIVES

- 1. Authorize Administration to apply to the CMHC's Rapid Housing Initiative for the Safe at Home supportive housing project.
- 2. Delay application to the Rapid Housing Initiative to a future intake.
- 3. Do not authorize Administration to apply to the Rapid Housing Initiative

ANALYSIS

The Society's project proposal provides an analysis of Whitehorse's homeless population and shows that Whitehorse has an acute shortage of options for individuals who experience chronic homelessness. On August 24, 2021 the Point in Time (PiT) count was released, which is a survey of the homelessness situation in Whitehorse in April 2021. The survey is conducted every two years funded from the federal government's Reaching Home: Government of Canada's Homeless Strategy.

The results of the survey show that that at least 151 people experienced homelessness on the night of April 13th, 2021. In April 2018 the PiT count reflected at least 195, so while an improvement may be observed, there is still a significant homelessness problem in Whitehorse. COVID-19 delayed the count from 2020 to 2021.

Applying for the CMHC RHI funding set aside for the City and contributing the funds in partnership with YG's controlled funding would be in keeping with the objectives of the Safe at Home Plan and its community based approach.

At the end of July (see attached letter) Mayors Curtis, Alty and Brewster wrote to Ministers Hussen and Vandal to acknowledge they had been notified on June 30, that they had each been identified to be allocated funds under the RHI, and to request an extension of the program deadline of August 31, in order to identify and develop eligible proposals. However, no extension of these timelines has been confirmed.

Proposal

The Society's proposal would add 55 self-contained units to the supply of available housing in the City with a focus on accommodating Indigenous youth and women. The Society has indicated that no less than 75% of all suites will be reserved for Indigenous tenants, and a minimum of 50% of all suites will be for vulnerable women.

Under the proposed arrangement, the City would be contributing the \$5M allocation from CMHC to YHC to add to YHC's allocation for the Society to purchase the property and renovate the facility to become supportive housing. The ongoing operation of the building would be funded largely through existing government programs. The City would therefore provide some initial financing contribution, but have no ongoing ownership or operational responsibility.

If CMHC approves the project, a funding agreement between CMHC and the City would include conditions to ensure eligibility criteria are maintained. These conditions and any others deemed appropriate by Council would be part of a subsequent agreement between the City and YHC.

Supportive housing developments are eligible for various incentives through the City Housing Development Incentive Policy which could be applied for in addition to the current funding proposal.

Options to Applying

The City could delay its application to consider additional information, and submit to a future intake of RHI if the program continues, and an allocation is made available to the City again. However, with the federal election on September 20, it is unknown whether the program would continue, at least in its current format. It is also unknown if YG's intent to fund would remain.

It should be noted that there are multiple future Council decision points following the initial application, and that additional information could be provided at that time.

If the City chooses not to complete the application for the initiative, the Society could apply to the project stream again. However, there may not be time for the Society to resubmit to the project stream as the deadline for that funding stream is also August 31.

NEXT STEPS

If Council authorizes Administration to apply for the CMHC funds, an application will be made by the deadline of August 31.

Should CMHC approve the proposal, multiple additional Council approvals will be required including a contribution agreement with CMHC, a budget amendment to receive and then transfer the funds as described, and another contribution agreement between the City and YHC.

Given the timing of the municipal election these Council decisions will be made by the next Council.

ADMINISTRATIVE RECOMMENDATION

THAT Council direct Administration to submit an application under the Rapid Housing Initiative to support the future transfer of funds to YHC for the Safe at Home Society's 4151-4th Avenue supportive housing project.





August 25, 2021

Kate Mechan, Executive Director, Safe at Home Society 208 Alexander Street Whitehorse, YT, Y1A 2L4

Dear Kate Mechan,

Re: Request for Support for Safe at Home Society's Rapid Housing Initiative Application

Thank you for your request to Yukon Housing Corporation to support your Rapid Housing Initiative (RHI) 2.0 Cities Stream funding application to convert the property at 4051 4th Avenue in Whitehorse to permanent supportive housing. I am pleased to see this initiative that supports the Safe at Home Plan to End and Prevent Homelessness which was endorsed in 2017 by Government of Yukon, Kwanlin Dün First Nation, Ta'an Kwäch'än Council and the City of Whitehorse

It is my pleasure to share that the Yukon Housing Corporation (YHC) will support your application to Canada Mortgage and Housing Corporation (CMHC) for this innovative housing project that, if approved, will deliver needed housing solutions in our community.

The development of permanent supportive housing aligns with the Housing Action Plan for Yukon, the Safe at Home Plan, the Putting People First Report and Yukon's Missing and Murdered Indigenous Women, Girls and Two-spirit + (MMIWG2S+) strategy.

In addition to this project supporting a variety of Yukon government led plans and strategies, I understand that the Safe at Home Society and Northern Vision Development LP have already put in considerable work to ensure the viability of this permanent supportive housing project, which will be located at the High Country Inn (4051 4th Avenue). I understand that Safe at home Society is also working with other primary government partners in the Safe at Home Plan: Kwanlin Dün First Nation, Ta'an Kwäch'än Council and the City of Whitehorse. I am pleased to see the primary government partners continuing to collaborate on the success of the Safe at Home Plan.

The YHC has several capital funding programs, including the Municipal Matching Rental Construction Grant and the Housing Initiatives Fund, which may also be accessed to support this housing project.

The total provision of YHC's support will be conditional on the formal approval of federal RHI funding. Capital funding support from the YHC will also be contingent on Yukon government's final approval of capital costs, operational plans, and long-term financial and program viability for this project.

I appreciate the collaborative approach proposed for this housing opportunity and I am encouraged by a vision that aligns with our government's mandate to address homelessness. We value the opportunity this development presents to support women, youth and Indigenous members of our community in need of supportive housing.

With this target population in mind, the YHC believes that this project will positively affect Yukoners who may be waiting for YHC housing to become available, but would be better served by housing with supports.

Safe at Home Society has a passion for, and is gaining experience working within the field of, supportive housing. This project will be an opportunity for the society to fill a gap in the housing continuum in Yukon for populations not currently served by Whitehorse's Housing First Residence, or housing units at the Whitehorse Emergency Shelter, or other non-governmental organizations' work in this sector.

I have requested that the President of the YHC, Mary Cameron, and her team reach out to you and your staff directly to further develop the final funding details, in anticipation of the RHI funding proposal receiving federal approval. I look forward to reviewing the terms of the final agreement and working together on this much needed support for women, youth and the Indigenous populations.

Sincerely,

Ranj Pillai,

Minister responsible for the Yukon Housing Corporation

Bollen.







July 30, 2021

The Honourable Ahmed Hussen, P.C., M.P.
Minister of Families, Children and Social Development
House of Commons Ottawa, Ontario
K1A 0A6

The Honourable Dan Vandal, P.C., M.P. Minister of Northern Affairs House of Commons Ottawa, Ontario K1A 0A6

Dear Minister Hussen and Minister Vandal,

RE: Rapid Housing Funding

On Wednesday, June 30, the City of Whitehorse, Yellowknife and Iqaluit were each notified that we would be receiving a direct allocation of the Government of Canada's (GoC) Rapid Housing Initiative (RHI) funding. This was incredible news, and we are grateful for how much the Federal government is prioritizing housing, as it is one of the most pressing needs in the north.

We also appreciate the GoC's renewed commitment on improving the quality of life for Arctic and Northern residents, especially for Indigenous peoples. The GoC's Arctic and Northern Policy Framework has a shared vision of the future where northern and Arctic people are thriving, strong and safe. As noted in the Framework:

Implementing the Arctic and Northern Policy Framework will require collaborative approaches. Our government recognizes that 'made in Ottawa' policies have not been successful. The new approach puts the future into the hands of the people who live there to realize the promise of the Arctic and the North.

Realizing this shared future will mean doing things differently to address persistent social and economic challenges in the Arctic and the North. We know that closing the gaps between the region and the rest of Canada means closing gaps between where decisions and resources are based, and where the needs are. Closing the gaps requires greater effort, focus, trust and collaboration, and more self-determination for the peoples of the region.

As noted on CMHC's Rapid Housing Initiative (RHI) website:

Each municipality has been notified of their allocation and is required to submit their proposed projects that demonstrate alignment with the RHI criteria as well as how the results will be achieved. Municipalities

¹ https://www.rcaanc-cirnac.gc.ca/eng/1560523306861/1560523330587

have been asked to submit their proposed projects through CMHC's online portal, which will remain open for a minimum [emphasis added] of 60 days (until August 31, 2021 at 11:59 PM EST).²

As Minister Vandal noted in the press release on July 6, 2021: "The Government of Canada recognizes that access to safe, affordable and sustainable housing is particularly challenging in northern and remote communities." 3

Through the GoC's commitments in the Arctic and Northern Policy Framework – and the recognition by the GoC that Canada's northern, remote and isolated communities face unique housing needs because of the challenges presented by geography, climate change, infrastructure and remoteness – we would like to request an extension to submit our proposed projects. The challenges in meeting the current deadline of August 31, 2021 include:

- For the funds that we have been allocated, there are a limited number of existing buildings that can be renovated into residential. Unlike large southern municipalities, here in the North, we have limited stock. Due to this challenge, it takes longer to find a building that will be suitable and meet the RHI's minimum requirements around "Expediency, Financial Viability, Affordability, Energy Efficiency, Accessibility and Targeted Populations."
- Limited number of experienced NGO's who can operate the housing, once it's established. Due to this challenge, it takes longer to find a partner that we can commit to working with and include on our application.

We appreciate that the RHI funding is meant to be used as quickly as possible, but governments also have a fiduciary responsibility to tax payers. We want to ensure that we are putting forward projects that maximize the benefit to residents in need, and will be able to be sustainably operated for years to come. With just one month to complete the application, we are struggling to put forward projects that meet all of the RHI eligibility requirements. We all share the same goal and desire: to address the urgent housing needs of our most vulnerable residents. With an extension, we will be able to accomplish this goal.

We would welcome the opportunity to meet with you and discuss our concerns in more detail, and to collaborate on a path forward to end homelessness in the North, as identified in the Arctic and Northern Policy Framework and the National Housing Strategy.

Thank you for your consideration and we look forward to meeting with you soon to discuss.

Yours sincerely,

Rebecca Alty Mayor, City of Yellowknife

Dan Curtis Mayor, City of Whitehorse

Janet Brewster Deputy Mayor, City of Igaluit

² Quote pulled on July 29, 2021: https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/rapid-housing

³ https://www.canada.ca/en/crown-indigenous-relations-northern-affairs/news/2021/07/government-of-canada-and-government-of-northwest-territories-announce-new-housing-working-group-and-25-million-from-budget-20210.html

CC: The Right Honourable Justin Trudeau, P.C., M.P.

Mr. Adam Vaughan, Parliamentary Secretary to the Minister of Families, Children and Social Development (Housing)

Mr. Michael McLeod, MP for the Northwest Territories

Ms. Mumilaaq Qaqqaq, MP for Nunavut

Mr. Larry Bagnell, MP for the Yukon

The Honourable Caroline Cochrane, Premier of the Northwest Territories

The Honourable Sandy Silver, Premier of the Yukon

The Honourable Joe Savikataaq, Premier of Nunavut