



The Corporation of the City of Burlington

Supplemental Technical Memo - Acquisition and Re-Use of Surplus School Sites

June 2022

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1.0 Introduction

1.1. Housing is a Top Priority for the City

Housing is a top priority for the City of Burlington, as evidenced and set out in a number of the City's strategic and policy documents. Within Council's [2018-2022 Burlington's Plan From Vision to Focus](#), several specific priorities for housing were identified, including the need to increase housing options and affordability to support Burlington's residents now and in the future. [Vision 2040 Burlington's Strategic Plan](#) identifies several priorities for housing, including price ranges and mix of housing choices that supports its growing portion of youth, newcomers, and young families, along with desirable housing alternatives that support seniors' ability to remain in their homes or neighbourhoods for as long as possible.

The 2018-2022 Plan identified the performance target of approving one affordable housing project per year as part of the 4-year work plan; and, having an aspirational performance target of at least 50% of the housing being townhouse and multi-storey buildings and at least 30% being affordable or assisted housing as part of the 25-year strategic plan (2041 timeframe).

There are many roles to be played by the various levels of government and community organizations in delivering housing to meet the needs of residents across the housing continuum. The recently approved Housing Strategy identifies key players in housing and their respective roles, including the role of the City of Burlington (Action 1 of the Housing Strategy). As a lower-tier municipality, the City of Burlington works within a complex planning environment and shares responsibilities to address housing need with many other parties.


1.2. The City's Housing Vision and Housing Strategy provide an overall strategy and action plan for Community needs around housing

The City's recently completed [Housing Strategy](#) establishes a road map and acts as a guiding document for the City to use in order to take action and work towards meeting the housing needs of the community and moving the city closer to the Vision for housing in Burlington. The Strategy is informed by robust technical analysis, as outlined in the [Housing Needs and Opportunities Report](#); and, through input provided by City and Regional staff, members of Council, the project Steering Committee, project Working

Group, stakeholders, and members of the public. The Vision Statement below is intended to guide the development of the Housing Strategy throughout and beyond its lifespan. The Vision statement is aspirational and describes an ideal future state for housing in Burlington.

Everyone is welcome in Burlington.

Burlington is a city where all current and future residents have access to the housing options that meet their needs at all stages of life, and that are attainable at all income levels.



The Housing Strategy also includes a set of themes that guide the strategy and track progress, a series of pathways for implementation and 12 actions that serve as a way to move toward the vision for housing in Burlington. The 12 actions are listed in the table below, along with their recommended timeframe for completion.

Action No.	Recommended Action	Timeframe (short-term, medium-term, or long-term)
1	Clearly define the City's role and responsibility in supporting a diversity of housing options that are attainable at all income levels.	Short-term
2	Act as a connector and partner in the housing system by identifying opportunities to connect people and providers to resources and information related to meeting housing objectives.	Short-term
3	Allocate appropriate staff resources to implement and administer the Housing Strategy and associated actions.	Short-term
4	To meet the objectives of the Housing Strategy, build upon the policies of the new Official Plan, 2020 and use the findings of the Housing Strategy Project to establish minimum targets around housing.	Short-term

Action No.	Recommended Action	Timeframe (short-term, medium-term, or long-term)
5	Develop and Deliver an Annual Housing Monitoring and Reporting System to Council.	Short-term
6	Build upon the policies of Official Plan, 2020 and the findings of the Housing Strategy Project to inform the Comprehensive Zoning By-Law (CZBL) project, to assist in broadening the range and mix of housing in the City and to explore tools to streamline processes.	Medium- to long-term
7	Support, permit, and encourage the development of alternate forms of housing, including higher density types of housing, where feasible and appropriate.	Medium-term
8	Provide incentives through a Community Improvement Plan (CIP) for the delivery of housing options to meet the needs of residents.	Medium-term
9	Develop an approach to protect Burlington's rental housing stock.	Short-term
10	Identify underused properties, including government owned and non-government owned sites that could be used for housing.	Medium-term
11	Encourage Additional Residential Units (ARUs) and consider a registry and monitoring program to evaluate the success of the framework and to make sure the ARUs meet health and safety standards.	Short- to medium-term
12	Undertake a formal assessment of the potential to introduce inclusionary zoning.	Short-term

This report supports a better understanding and a set of information related to three of the Actions identified in the Housing Strategy:

Action 1 – Clearly define the City’s role and responsibility in supporting a diversity of housing options that are attainable at all income levels

- The discussion and findings of this report highlight distinct roles in the housing system and reinforce the key principle of the Housing Strategy to not duplicate the role of other organizations in the system but rather to identify opportunities to partner with others to achieve better outcomes.

Action 2 – Act as a connector and partner in the housing system by identifying opportunities to connect people and providers to resources and information related to meeting housing objectives.

- The discussion and findings of this report share diverse partnership models and opportunities that could act as models for building relationships with other levels of government, non-profit organizations and others.

Action 10 – Identify underused properties, including government owned and non-government owned sites that could be used for housing.

- The discussion and findings of this report share successful examples of re-use of underused properties to provide new opportunities for housing.

1.3. Burlington Lands Partnership provides a vehicle for exploring opportunities to leverage underused properties for housing

Burlington recently established the Burlington Lands Partnership (BLP). The mandate of the BLP is to achieve community benefits and returns by maximizing opportunities of economic growth, developing and implementing city building projects, and creating opportunities for the development of attainable housing.¹ To this end, the BLP will support the City’s ability to deliver on the Housing Strategy and the creation of attainable housing strategic land partnerships and other opportunities. Oversight and direction for the BLP is provided by a Steering Committee that is accountable to Burlington City Council.

¹ Council Report CM-01-21 Appendix A Burlington Land Partnership Terms of Reference

The BLP is a newly created entity that will evolve over the next few years. One of the areas of focus for the BLP is surplus school site re-use. The opportunity to consider the viability of purchase of surplus school sites, among other things, may help to develop partnerships to increase community amenities and local housing stock.

1.4. Redevelopment of surplus schools are an Opportunity for implementing elements of the City's housing strategy and also address other community needs

From time to time, schools are deemed surplus by a school board and become available for re-use or redevelopment. Former school sites represent unique opportunities for municipalities to take a leadership role in delivering additional housing, as the process for the disposition of school lands typically allows municipalities the opportunity to acquire the lands. The sites themselves are excellent opportunities for infilling and intensification, as they are typically located in a walkable areas within established neighbourhoods; school buildings themselves may have heritage value and/or community value, making them potentially desirable options for adaptive re-use; and the school sites are usually mid to large sized, serviced lands. The sites also present opportunities to address community facility and parks needs where there are deficits in a particular neighbourhood or area or where there is a need to supplement existing community facilities.

In October 2021, City Council provided [Staff Direction \(SD-29-21\)](#) to complete a review of issues and opportunities for acquiring surplus school sites in the City of Burlington for the purposes of advancing affordable housing options and other community building projects. Specifically, Council directed staff to prepare the following:

- A current practice review of former school site uses in other municipalities, including opportunities for attainable housing;
- A complete review of existing federal and provincial housing support programs, in coordination with the work underway via the housing strategy;
- Opportunities for housing, parkland and community uses on these sites, in partnership with other agencies, non-profit organizations and levels of government, including Halton Region, and coordinated with the work of the Burlington Lands Partnership;
- Budgetary implications for known and potential sites that may come available;
- A community engagement strategy on potential uses for these sites; and

- Communication to the four school boards (English public and Catholic, French public and Catholic) that the city has an interest in considering any school sites that may become available, and requests regular communication from all boards about their long-term plans.

1.5. Memo Purpose

In recognition of the growing issues respecting housing availability and affordability in the City of Burlington, and the need to address the issues through the consideration of future development, the consulting team of Dillon Consulting Limited (Dillon) and SHS Consulting (SHS) who had been retained by the City to develop the Housing Strategy were engaged. The scope of the work was expanded to undertake a review of issues and opportunities for acquiring and re-using surplus school sites for affordable housing and other community uses. The overall work plan is focused on:

- Confirming the legislative context for surplus school site redevelopment;
- A current practice review showcasing examples of various school site redevelopment projects/initiatives from the municipal perspective;
- A review of existing federal and provincial housing support programs; and,
- A review of engagement strategy opportunities.

The work presented in this Memo has been prepared in coordination with the City's Housing Strategy and completes the first phase which highlights opportunities and constraints related to the successful re-use of surplus school sites in Ontario. The findings will inform the second phase of work which will include the development of a proposed strategic land policy and decision-making framework to support transparency and investment in our community.

1.6. Memo Structure

This technical memo is broken down into the following sections:

- **Section 1** aims to provide sufficient context and explains how the City of Burlington came to require a memo that addresses the concept of surplus school sites being acquired for adaptive re-use;
- **Section 2** describes the policy and legislative context for this concept;
- **Section 3** provides a look into each former school case study;
- **Section 4** examines provincial and federal housing programs;

- **Section 5** details the engagement process; and,
- **Section 6** provides a brief conclusion and commentary on next steps.

2.0 Policy and Legislative Context

2.1. Education Related Policies for School Re-Use

2.1.1. Education Act

The Education Act, 1990 makes clear the conditions under which a school site may be sold, and thus used for a purpose other than for public education. When a school board determines that property is no longer required for school purposes, with the approval of the Lieutenant Governor in Council the board may choose to sell, lease or otherwise dispose of the property². The Province provides further guidance on the disposition of surplus school sites through its Pupil Accommodation Review Guideline and Ontario Regulation 444/98.

2.1.2. Pupil Accommodation Review Guideline

The Pupil Accommodation Guideline (the Guideline) is rooted in requirements set by Ontario Regulation 444/98 and builds upon the Community Planning and Partnerships Guideline. The Guideline outlines the Pupil Accommodation Review (PAR) processes that Ontario school boards must undertake in order to evaluate schools for consolidations, closures and/or new school development; to ensure that the school boards' resources are effectively managed; and, to ensure that students are provided appropriate and sustainable accommodations. If a PAR results in a school closure, the school board may decide to declare that school as surplus, potentially leading to the disposition of the property.³

The ultimate purpose of the Guideline is to provide a framework of standards for school boards to utilize throughout the PAR process. Once a school board initiates the process to make a decision about the future of a school, the Guideline ensures that the decision is made with the involvement of the local community and prioritizes the quality of the learning experience for students. Each school board has the flexibility to modify their respective PAR policies to meet their local needs.⁴

² R.S.O. 1990, c. E.2, s. 194 (1). <https://www.ontario.ca/laws/regulation/980444>.

³ 2018. Ministry of Education. Pupil Accommodation Review Guide.
<http://www.edu.gov.on.ca/eng/policyfunding/pupil-accommodation-review-guideline-en.pdf>.

⁴ 2018. Ministry of Education. Pupil Accommodation Review Guide.
<http://www.edu.gov.on.ca/eng/policyfunding/pupil-accommodation-review-guideline-en.pdf>.

2.1.3. Ontario Regulation 444/98

When a school board decides that it no longer needs a property, the school board may close the school on the property, use the property for other programming, or declare the property as surplus. To offer a surplus property for sale or lease, school boards must follow the following requirements:

- Boards first offer surplus property to a list of preferred agencies, which includes publicly funded bodies;
- These organizations have at least 90 days to express interest and/or present an offer. It may take an additional 90 days to formalize an offer, and;
- If there are no successful offers, the board may request permission to sell on the open market.

There are several conditions of sale required:

- Fair Market Value as determined by a third party appraisal;
- Property is sold “as is,” meaning the board is not responsible for changes or property improvements;
- All Offers of Purchase and Sale must be received during a published timeline to be considered; and,
- The successful sale is conditional upon the Board of Trustees’ approval.

2.2. Land Use Planning Related Policies for School Re-Use

2.2.1. Provincial Policy Statement

The Provincial Policy Statement (the PPS)⁵, 2020, provides policy direction from the Ontario provincial government on land use planning issues that affect communities. While the PPS does not provide explicit policy direction on the re-use of school sites, it does provide direction on matters of provincial interest which could be of relevance in the context of school site re-use, such as:

- Strong, liveable and healthy communities promote and enhance human health and social wellbeing, are economically and environmentally sound, and are resilient to climate change.

⁵ The Provincial Policy Statement. Section 1.6. <https://files.ontario.ca/mmah-provincial-policy-statement-2020-accessible-final-en-2020-02-14.pdf>.

- Public service facilities should be co-located in community hubs, where appropriate, to promote cost-effectiveness and facilitate service integration, access to transit and active transportation.

Regarding intensification, the PPS promotes intensifying existing communities as a method of “[achieving] cost-effective development patterns, [the optimization] of transit investments, and standards to minimize land consumption and servicing” (Section, 1.1.1). To facilitate intensification, planning authorities can establish and implement minimum targets for intensification and redevelopment within built-up areas (Section 1.1.3.5). To further this, planning authorities can identify appropriate locations for redevelopment, such as existing building stock and brownfield sites (Section 1.1.3.3).

The PPS speaks to providing for an appropriate range and mix of housing options and densities in order to meet projected needs of current and future residents of the regional market area. Most critically, planning authorities must maintain the ability to accommodate residential growth for at least 15 years through intensification and redevelopment (Section, 1.4.1), as well as by establishing and implementing minimum targets for housing which is affordable to low and moderate income households. The PPS further promotes targeting the development or redevelopment in such a way that it efficiently uses land, resources, infrastructure and public service facilities and supports active transportation as well as transit (Section 1.4.3).

2.2.2. A Place to Grow

The Growth Plan provides guidance for how communities are to plan for growth to 2051. One of the Guiding Principles of the Growth Plan is to: support a range and mix of housing options, including additional residential units⁶ and affordable housing, to serve all sizes, incomes, and ages of households. The Growth Plan establishes targets for intensification within the Built-Up Area (BUA), densities within the Designated Greenfield Area (DGA), and specific density targets for Strategic Growth Areas which include, among other important intensification areas, Urban Growth Centres (UGCs) and Major Transit Station Areas (MTSAs). Section 2.2.6 of the Growth Plan relates to Housing, and provides direction to upper- and single-tier municipalities which includes:

⁶ A self-contained dwelling unit which is subordinate in size and located within, and/or on the same property as a single detached dwelling, semi-detached dwelling, townhouse unit or street townhouse unit (as defined in the Official Plan 2020).

- Supporting housing choice through minimum intensification and density targets, and identifying mechanisms to support the implementation of these targets. This can be accomplished by identifying a range and mix of housing options and establishing targets for affordable ownership housing and rental housing.
- Aligning land use planning with housing and homelessness plans;
- Addressing housing needs in accordance with the PPS; and
- Implementation of the above through OP policies and designations, and zoning by-laws.

The Growth Plan also recognizes that in order to achieve complete communities, municipalities will need to consider available tools that require multi-unit residential developments to incorporate a mix of unit sizes (Section 2.2.6.3).

2.2.3. Halton Region Official Plan

The Halton Regional Official Plan provides policy direction to area municipalities on a range of matters related to economic development, housing, land use, infrastructure, agriculture, the natural environment and several other areas of interest. In general, the Plan is silent on the matter of school site redevelopment; however, the Plan does provide direction for affordable housing, intensification and redevelopment.

Regarding intensification, the Plan contains the objective to facilitate and promote intensification and increased densities (Section 72.1 [9]). This shall be achieved through the identification and implementation of incentives to promote intensification and also to seek Provincial assistance to further facilitate this (Section 77 [2.3]). This Plan also requires that each Local Official Plan gives priority to achieving intensification through infilling and through the completion of existing neighbourhoods and communities (Section 77 [7]), and that each Local Municipality include Official Plan Policies and adopt Zoning By-laws to meet intensification and mixed-use objectives, specifically for Strategic Growth Areas (Section 79.3 [7]).

Generally, the PPS, A Place to Grow and Halton Region Official Plan provide direction to the City of Burlington to plan for intensification, make best use of existing infrastructure and incorporate policies in their Official Plan which promote opportunities for affordable housing. The re-development of surplus school sites represents one example of how the City is in a position to implement Provincial and Regional policy direction.

2.2.4. Burlington Official Plan

The City of Burlington Official Plan (1997, as amended) notes in “Part II – Functional Policies”, that surplus institutional lands and/or buildings may be acquired by the City where such lands and/or buildings are required to fulfill a community need and are cost-effective.⁷ The new Official Plan echoes this and expands on it, stating: “[In] cases involving surplus public education facilities, the acquisitions are in accordance with the appropriate Ontario Regulation for surplus public education facilities” (Chapter 3).⁸

“Part III – Land Use Policies” of the current Official Plan further notes that:

“The use of surplus lands owned by the municipality and other government agencies shall first be considered for residential purposes, including affordable or assisted housing, before the lands shall be considered for other land uses.”⁹

Additionally, when school park/combinations are declared surplus for educational purposes, the City must consider how to maintain the existing parkland levels in the immediate area.¹⁰ The new Official Plan echoes this.¹¹

The new Official Plan sets out a new focus on the development of complete communities and includes several items regarding increasing housing stock as well as the supply of affordable and/or assisted housing. A key recurrent theme is that the City of Burlington is encouraging the identification for sites that can be developed or redeveloped for housing purposes, and exploring opportunities for partnerships and incentives in order to increase the supply.¹² Such sites may be declared as Community Improvement Project Areas to facilitate their development (Chapter 3).¹³

⁷ Page 46. Burlington Official Plan (1997, as amended). https://www.burlington.ca/en/services-for-you/resources/Planning_and_Development/Official_Plan/december-2019-updates-to-OP-docs/Part-II_2019.pdf.

⁸ Page 3-15. City of Burlington, Burlington Official Plan (new), https://www.burlington.ca/en/services-for-you/resources/Initiative_Projects/new-official-plan/Burlington-Official-Plan-2020_Interim-Working-Version_Feb-2021.pdf

⁹ P. 8. Burlington Official Plan (1997, as amended).

¹⁰ P. 111. Burlington Official Plan (1997, as amended).

¹¹ P. 3-6. Burlington Official Plan (new).

¹² Ibid.

¹³ P. 3-7. Burlington Official Plan (new).

3.0 Current Practice Review

3.1. Municipal Approach to Surplus Schools

The purpose of the case studies section of this report is to present examples of different approaches to surplus school site acquisition and redevelopment. The review focuses on examples from the Province of Ontario, on the basis that there is a similar legislative context for all of the examples. The case studies include a mix of single tier and lower tier municipal examples and are presented from the municipal perspective. The cases highlight three different municipal approaches to surplus school lands acquisition and redevelopment:

- The municipality acting as an approval authority in the development process;
- The municipality acting as a development partner with a private or non-for-profit entity through an agreement; and,
- The municipality acting as a housing provider (e.g., where the municipality has a role in providing and managing housing).

The majority of case examples focus on approval authority and development partner roles, as the City does not have direct responsibility for housing given that Halton Region is the Service Manager responsible for housing. **Figure 3-1** generally describes the above-noted roles and was examined with the lens that it may be possible to partner with Halton Region on housing delivery. At the request of the City, a few of the examples also highlight opportunities for delivering community facilities / park space.

Figure 3-1: Municipal Approaches to Surplus School Lands Acquisition



3.2. Case Studies

3.2.1. Manor and Highland Park School Redevelopment (City of London)



The former Manor and Highland Park School was closed in 2010 and eventually demolished and redeveloped for a new 22-unit building, consisting of 1-bedroom units, including 4 accessible units; and 15 single detached dwellings on the same site. The redevelopment required a rezoning to allow for the proposed redevelopment. The redevelopment was completed in 2015 and won an urban design award and is an example of gentle intensification.

The project was developed by Homes Unlimited, London's oldest and largest non-profit housing provider. Homes Unlimited (London) Inc. is a non-profit corporation formed in 1972 to provide affordable rental housing, primarily for families of modest income. Homes Unlimited has nine developments in the City and accepts tenants from the City of London social housing program and also direct rental inquiries. At the time of writing, it remains unclear who initially purchased the site from the school board; however, the City helped to support the redevelopment of the site through a program that allowed the City to provide up front capital investment to Homes Unlimited in exchange for a guarantee/agreement that the units would remain affordable for a period of 20 years.

3.2.2. Roxborough School (City of Hamilton)



Covering a land area of 5.52 hectares on the site of the former Roxborough Park School, the Roxborough Demonstration Project is a joint public-private housing redevelopment delivering a mix of market and below market homeownership and rental housing options. The redevelopment will include a significant number of mixed income and mixed tenure residential units, including:

- family-oriented Rent-Geared-to-Income and affordable rental units to be owned and operated by City Housing Hamilton;

- multi-residential rental units with capped rents;
- below market homeownership units; and,
- condominium units geared towards seniors and smaller households.¹⁴

The site redevelopment is envisioned as a mixed income and mixed tenure development on lands which contained the former Roxborough Park School (currently owned by Roxborough Park Inc. (RPI)) and adjacent lands (currently owned by CityHousing Hamilton (CHH)). The demonstration project is the result of a comprehensive and co-ordinated effort to deliver community revitalization in a meaningful and equitable manner, one that seeks to ensure the re-developed community is not only desirable to live within but available to all future residents regardless of income and household size.

The project, which originally received planning approvals in 2018, involved the purchase of the former Roxborough School site by developers; an agreement between the developer group and CityHousing Hamilton to build new CityHousing Units to replace existing CityHousing Hamilton units on the adjacent site as part of the redevelopment; the relocation of existing CityHousing Hamilton tenants during construction; and, the development of a specialized incentive program in order to offset costs associated with developing below-market and not-for profit housing options.

Through initial discussions regarding the project, a number of core principles were developed by staff in order to ensure the development satisfied current policy requirements, and demonstrated a meaningful approach to sustainable, inclusive community building that prioritizes affordable housing. The following were the core principles for redevelopment:

- Maintain current service level standards;
- Net increase in the number of units (affordable and market);
- Achieve income mix;
- Achieve tenure mix;
- Quality and environmental design;
- Mix of unit sizes;
- Accessibility;
- Length of affordability; and,

¹⁴ The original approved application allowed for a maximum of 848 residential dwelling units on the site, in accordance with the permitted maximum net residential density of 165 units per hectare; however, a revision to one of the Draft Approved Subdivision Blocks has increased the overall unit count to 1,290 residential units, for which an Official Plan Amendment process is underway.

- Capacity building.

The specialized Community Improvement Area (CIPA) incentive program includes a Development Charge (DC) loan/grant program, which would cost the City \$10.47 million based on 2019 DC rates, and cash-in-lieu of parkland waivers in the amount of \$3.9 million. Additionally, all planning application fees were waived by the City, as the application was made by CityHousing Hamilton, although it should be noted that the fees associated with these applications would be marginal in comparison to the significant incentive contributions provided through the CIPA. Through the provision of these incentives, the project will be able to provide over 200 grade related affordable ownership units at 10% below market for new construction; 200 market rental units; 103 affordable rental units to be owned and operated by CityHousing Hamilton; and 10 rent-to-own grade related units. There are also provisions set out in the implementing planning instruments that would allow for the option of ‘roughed in’ secondary units within the end-unit townhouse dwellings. The project itself relies solely on Municipal contributions based on an innovative use of incentives and funding leveraged against increased tax assessment. While there is currently no Provincial and Federal commitment to funding for this project, the first-time home buyer incentive delivered through the Canada Mortgage and Housing Corporation could also be stacked with the local-level incentives to further address housing mix and affordability for households earning a maximum combined income of \$120,000 per year.

The development is intended to satisfy a number of planning, environmental and social policy objectives and is an example of how public and private partnerships can help to leverage “big moves.” The groups involved in this public-private partnership included: Urbancore Developments, Carriage Gate Homes, Effort Trust, CityHousing Hamilton and the City of Hamilton. The City’s primary role in the project was as approval authority and partner (through the CityHousing Hamilton units). This case study provides an example of how public-private partnerships leveraged by creative financial incentives can help to support the delivery of attainable housing solutions.

3.2.3. St. Joseph Catholic School (Municipality of Chatham-Kent)

On November 13, 2019, the Municipality of Chatham-Kent was provided notice by the St. Clair Catholic District School Board of its intention to dispose of the St. Joseph Catholic School Site (25 Raleigh Street, Community of Chatham). The purchase price for the property is \$400,000.00, which at the time represented the fair market value of the property. An expression of interest was released to the public for any organizations or

companies that wished to purchase the school through the Municipality; however, due to the COVID-19 pandemic, the Municipality cancelled this expression of interest process as the steps necessary to negotiate agreements with other organizations or companies was not feasible at the time. Prior to determining that this expression of interest process would be cancelled, submissions were received from various organizations and companies. A numbered company submitted a proposal for St. Joseph School, and was ultimately determined to have been the recommended proponent had the expression of interest process been completed. The Municipality began negotiations with the numbered company regarding the potential purchase, sale and leasing back of the site for municipal purposes; however, it was determined by staff and indicated in a report to Council that the school would not be needed for a municipal purpose. Discussions between the numbered company and the Municipality resulted in the realization that there could be other potential uses for the property which would still have a positive impact on the community, with the intent to use it for housing purposes.

Following that discussion, in August of 2020, Chatham-Kent purchased the property at market price and subsequently sold it to a developer to facilitate the redevelopment of the site to include 18 apartment units and a commercial space, which is intended to be used as a childcare centre. The rationale for the transaction was on the basis that reusing the school site for housing purposes would have a positive impact on the community and be consistent with the surrounding neighbourhood. The redevelopment concept involves a repurposing of the existing school building, as shown on the site plan on the following page.



A zoning by-law amendment was required to facilitate the site redevelopment to address the change in use from institutional to residential and commercial and to address site-level details. The rezoning was approved by Council in April of 2021.

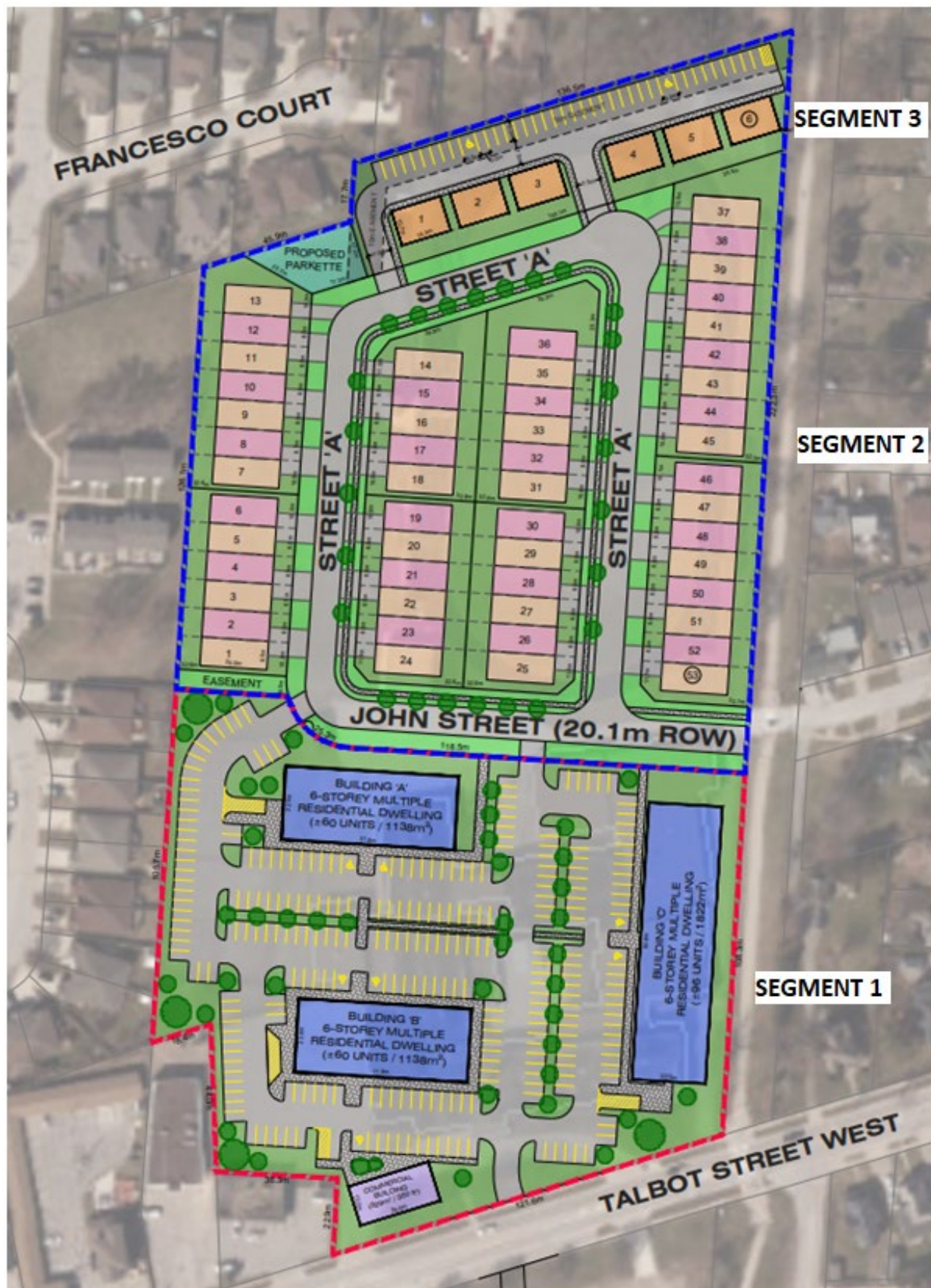
3.2.4. Leamington District Secondary School (Municipality of Leamington)

In July 2020, Leamington Council approved the purchase of the former high school property to encourage the development of attainable and affordable housing to address the current housing shortage in Leamington. Following the purchase, the Municipality retained a consultant to develop a concept plan for the redevelopment of the site (see figure below), which was then brought forward for broader consultation and feedback and, ultimately, used to inform a Zoning By-law Amendment in order to provide for a “shovel ready” site and to guide the preparation of a request for proposals seeking qualified proposals from developers to purchase and develop the former high school lands.

The Concept Plan provides for a range of housing types and divides the High School Lands into three segments with a total of 293 residential dwelling units, as described below.

- **Segment 1:** A mid-rise development on Talbot Street West with 3 buildings, 6 storeys in height, creating approximately 216 residential units, with a slightly reduced parking standard. The size and configuration of the units may be fluid based on the need and demand (ranging from 1 bedroom to 3-bedroom units).
- **Segment 2:** 53 townhomes with 1,100 to 1,300 square-foot units with street facing garages, providing slightly larger dwellings for future residents; and 6 small multi-unit buildings with 4 units within each building for a total of 24 residential units.
- **Segment 3:** An accessory commercial area, intended and capable of providing complimentary services such as childcare, seniors' services, medical care, retail and grocery stores to the surrounding neighbourhood.

Through review, it was determined that an Official Plan Amendment would not be required to proceed with a residential development; however, the lands must be rezoned to a higher density residential zone in order to maximize the use of this site for the desired development.



This case study provides a good example of how municipalities must weigh the pros and cons of development, and may determine it to be appropriate to take on development risk in advance of having partners lined up. It is understood that the fees for the preparation of the Zoning By-law Amendment, the preparation of the RFP and other associated studies is in the magnitude of \$75,000, which is to be funded through the Municipality's contingency reserve.

3.2.5. Holy Cross Elementary School (City of London)

As part of the City of London's Housing Stability Action Plan, the creation of more housing stock was identified as one of four areas of strategic focus to respond to the City's homelessness crisis. A specific action item in the Action Plan is the development of publicly owned and available lands for affordable housing. As Council's delegated Service Manager for the development of affordable housing, Housing Development Corporation, London (HDC) has played a critical role in the development of lands for affordable housing (including surplus school sites acquired by HDC and surplus municipal lands transferred to the HDC by the City).

In alignment with the Housing Stability Action Plan, and key goals of Council to provide 3,000 affordable units by 2026, the HDC formed a strategic business alliance partnership with Ontario Aboriginal Housing Services (OAHS) to develop a new multi-residential apartment building on the site of the former Holy Cross Elementary School, which will provide safe, affordable and appropriate housing for First Nation, Inuit and Metis people, with the ultimate goal being to address housing needs of Indigenous women and children, families and Elders in London.

A number of goals and objectives were created and informed by London's affordability challenges to ensure the development satisfies policy objectives and advancing the City toward meeting their goal of 3,000 affordable units by 2026. These goals and principles are highlighted, briefly, below:

Goals

- Advance a specialized Indigenous-led affordable rental housing model with wraparound tenant supports;
- Undertake activities that are consistent with and will serve to implement the National Housing Strategy;
- Provide for housing affordability that is sustainable, safe and secure;
- Add value to the neighbourhood through sensitive intensification;

- Promote land and infrastructure efficiencies;
- Support active and passive transportation;
- Incorporate low greenhouse gas emissions and energy efficient technologies; and,
- Provide for barrier-free accessibility.

Objectives

- Promote and advance great urban design;
- Position the building to minimize potential impacts to the surrounding land uses;
- Provide a continuous street edge by orienting the building close to the street;
- Provide pedestrian connections through the site, between the building and the street, and between the building and parking areas; and,
- Ensure functional and appropriate outdoor amenity.

HDC purchased the property, which sat on approximately 0.79 hectares of land, and demolished the vacant school building. The site is now the proposed location of a 0.58 hectare development and a 0.21 hectare park. The development requires an amendment to the Official Plan and Zoning By-law, for which a Planning Justification Report was prepared in March of 2022. The proposed residential development will include a mixed-use building in a combination of three- and four-storey building heights, with associated parking, and indoor and outdoor amenity areas. The building will contain 42 affordable rental units, consisting of one-, two-, three- and four-bedroom options, as well as 1,300 square metres of non-residential ground floor space which are intended to provide supports and services for the tenant community.

3.2.6. Kent Public School and Bloor Collegiate Institute (City of Toronto)

In 2014, the Toronto District School Board declared the Bloor and Dufferin location of the Bloor Collegiate Institute surplus. Following this, in June 2016, a community meeting to discuss the disposition of the site was organized by the Toronto District School Board, Toronto Lands Corporation and the City of Toronto to discuss the site and process for redevelopment. At this time, the Toronto District School Board agreed to sell the land area of the former Kent Public School and a portion of the Bloor Collegiate Institute Site. Following this, a competitive process opened for developers to submit proposals for redevelopment of the site, with Capital Developments and Metropia selected as the successful bidders.

Beginning in early 2017, early community engagement and meetings with City staff, councillors, community groups and stakeholders commenced, which informed the development of guiding principles for the project, some of which are outlined below:

- Create a new type of neighbourhood destination that captures the spirit of the community;
- Create a world class project relevant to our time and celebrated by future generations;
- Commitment to delivering a range of housing types to meet the needs of a growing diverse population in different life stages;
- Provide diverse retail throughout the development;
- Celebrate heritage and explore ways to commemorate and integrate heritage elements of the school;
- Create new connections that knit the site into the fabric of the existing neighbourhood;
- Create a series of lively and interesting pedestrian-oriented spaces that add to the vibrancy of the neighbourhood through a variety of uses and experiences;
- Encourage community health and well-being by creating a community park and new public gathering spaces; and,
- Explore ways to improve energy and water efficiency, support public transit and cycling, and integrate green infrastructure;

In the spring of 2017, an open house and developer-led community consultation meeting were held and following this a formal Planning Act application was submitted to the City of Toronto in September 2017. Between 2017 and 2019, a number of revisions and resubmissions were made based on input and feedback received through the formal application review process.

More recently, the school was closed and the pupils were relocated to a new school space at the end of the 2021 school year. Around that same time, Hazelview Investments and Fitzrovia became co-development managers for the project.

Renderings of the development are provided below.



Bloor Street



Bloor & Dufferin Plaza



High Street (Day)



Daycare



High Street (Night)



Artist Commons



Historic Kent School



Community Hub

The current plan includes the following:

- Approximately 2,034 residential units with a mix of rental and owner-occupied units;
- 56 units to be conveyed to the City, exclusively for affordable rental housing;
- 62% of units to be suitable for larger households;
- 35,737 square feet for a community hub and daycare, located in the historic Kent School building;
- 38,540 square feet of green space;
- 50,022 square feet of office space;

- 174,252 square feet of retail;
- 69,384 square feet of amenity space; and,
- A \$17 million affordable housing trust.

It is understood that the application is currently under appeal, awaiting a decision from the Ontario Land Tribunal. This case study is an example of how municipalities can provide a vision and entice private sector to deliver on a variety of the objectives for a neighbourhood. Additionally, the example shows that no process is perfect, as the matter was appealed from some neighbourhood opponents.

3.2.7. William Beatty High School (Town of Parry Sound)

Upon the Near North District School Board declaring the William Beatty High School site surplus, discussions for the purchase and sale of the school began between the Parry Sound District Social Services Administration Board and Parry Sound Affordable Housing Development Corporation and Parry Sound Non-Profit Housing. In early 2016, the Near North District School Board transferred the property to the Parry Sound Affordable Housing Development Corporation via the Parry Sound District Social services Administration Board. The transaction price for the market value of the school was determined to be \$445,000. The Parry Sound District Social Services Administration Board provided \$700,000 for the project. The intent of the acquisition was to enable the Town to have an accessible, affordable, community hub.

The redevelopment concept for the site included a repurposing of the school building, converting the classrooms to apartments; and a community hub. A Zoning By-law Amendment was required to facilitate the site redevelopment, which obtained approval of Council on June 7, 2016. The redevelopment included:

- Repurposing of the former school's classrooms into 55 residential units and repurposing other portions of the school to a Friendship Centre, Early Years Centre, a Place of Assembly and Kid's Place; and,
- The construction of a new 10 unit apartment building on the site.

The redevelopment included a mix of bachelor, one-bedroom and two-bedroom units. Given the size of the units, rent charged for each unit did not require further subsidization or gearing to income. Each unit's market value was determined to be just below the affordable rate for the market area. This case is an example of a municipality being in a position to deliver as a developer and housing provider and also able to satisfy broader community facilities needs through the redevelopment of the school.

3.2.8. 7 Edithvale Drive (City of Toronto, Ontario)



Edithvale Elementary School, municipally addressed as 7 Edithvale Drive, was closed in June 1980 due to declining enrollment and leased to the City of Toronto at that time for the use of a community centre. Subsequently, in 2005, approvals to design a new community centre and elementary school on the site began, which required a land exchange. Following the completion of the land exchange, the City demolished the former school building and constructed a 4,645 square metre community centre with a revitalized neighbourhood park.

The centre contains several multi-purpose rooms, art rooms, athletic rooms, a banquet hall, preschool rooms, a kitchen, and other community spaces intended to help address and balance the need for these amenities with increased population growth in the area. The land exchange cost the City a total of \$2,911,625 which was funded through reserve funds. The community centre cost approximately \$14.75 million, which was paid for with money levied from developers. This case represents an example of a municipality taking on a surplus school and re-purposing to meet broader neighbourhood community service needs.

3.2.9. Hillcrest High School (Town of Thunder Bay)



In 2009, Hillcrest High School closed and was subsequently purchased by a private developer, Robert Zanette with Hillcrest Neighbour Village Inc. The intention for the space was for it to be a collaborative environment of non-profit and for-profit businesses; however, due to less than half of the space rented, in 2014 the building was converted into opportunities for market affordable housing. In 2015, Thunder Bay City Council approved the company's application to convert the building to condominiums. Now known as Hillcrest Neighbourhood Village, the former school building contains 74 condo units and two non-retail commercial spaces. While the sale cost for units have increased in recent years, the original vision was for affordable units in a complete community setting. The development also includes an elevator to meet some accessibility concerns. The Hillcrest High School redevelopment is an example of how municipalities can proactively work with developers to maintain the building heritage through adaptive re-use of the facility and deliver additional housing supply. In this process, the municipality operated in its capacity as an approval authority.

3.2.10. Policy Examples

A number of municipalities have established policies or directives to guide the decision-making process around surplus school sites. As part of the case study review, several precedents were examined, examples include:

- The City of London: The City of London maintains a surplus school policy directive. The directive was enacted in 2018 and recently reviewed and updated in 2021. The purpose of the directive is to establish a Council policy for the evaluation and acquisition of surplus schools. The policy states “Surplus school sites will be evaluated for acquisition for one or more of the following municipal needs:
 - a. As a site for an affordable housing project. This will be the first need evaluated.
 - b. As a site for a community centre
 - c. As a site to address an identified parkland deficiency”

The policy includes a description of the process to evaluate needs and provides guidance for partnerships.¹⁵

- The City of Vaughan: The City of Vaughan recently completed a broader City-wide strategy on municipal lands acquisition. The Strategy does not provide specific tactics for surplus school site acquisition, rather it provides process guidance for all of the City’s land needs, such as park space, community facilities, natural heritage lands, etc.
- The City of Mississauga: The City of Mississauga has an acquisition and disposal of real property policy, which updated in 2017 to apply a “housing first” approach which requires planning staff to identify properties that could be considered for disposition for affordable housing prior to the sale of any surplus City-owned land. The assessment is to consider:
 - a. Property size, location and development context;
 - b. Proximity to transit;
 - c. Applicable official plan policies and zoning regulations; and,

¹⁵ Surplus School Site Evaluation and Acquisition Policy, Enacted October 16, 2018 (CPOL.-380-493), Last Reviewed: August 10, 2021. Accessed on June 1, 2022. <https://london.ca/council-policies/surplus-school-site-evaluation-acquisition-policy>

- d. Development potential/ yield.¹⁶
- The City of Mississauga: The City of Mississauga also has a Memorandum of Agreement (MOA) with Habitat for Humanity, which was approved on May 27, 2020 (By-law 0131-2020). The MOA references the City’s Corporate Policy for the Acquisition and Disposal of Interests in Real Property, acknowledges limited opportunities to utilize the City’s surplus land process for facilitating affordable housing; recognizes the position of the City in their ability to leverage “priority status” in school property disposal processes; identifies a partnership opportunity between the City and Habitat for Humanity in delivering scaleable affordable housing; and, authorizes the City to assist Habitat for Humanity with the purchase of lands for the development of affordable housing. In this regard, the MOA allows Habitat to collaborate with the City as a real estate partner to deliver affordable housing in a variety of forms.

The work on this aspect of the case studies review was not exhaustive and there is likely a wide range of examples on the types of policies and programs that municipalities use to guide the approach to school site redevelopment.

3.3. Summary of Key Findings

Based on the case study review completed in this section, there are a number of key findings to highlight, which are summarized in brief below:

- Partnerships with developers are critical for delivering on affordable housing:
 - Some municipalities are willing to take on the development risk in advance of having partners lined up;
 - Public/private partnerships can help to leverage “big moves”; and,
 - Financial incentives may be needed to achieve below-market housing solutions.
- Municipalities do not always need to purchase the site to get a positive outcome;
- Thoughtful urban design can help to address compatibility concerns and there may be opportunities for heritage preservation;

¹⁶ Acquisition and Disposal of Interests in Real Property (Policy 05-04-01). Last updated July 5, 2017. Accessed on June 22, 2022. <https://www.mississauga.ca/wp-content/uploads/2020/03/23082633/05-04-01-Acquisition-and-Disposal-of-Interests-in-Real-Property-Policy.pdf>

- Due to the timelines required under the Education Act to list properties, it is important for municipalities to have a vision for how they intend to approach opportunities before they emerge:
 - Ongoing dialogue with the school boards is recommended;
 - A municipal policy directive can establish priorities for surplus school site acquisition;
 - A long-term strategy can also provide a forward-looking analysis of opportunities and inform long term planning;

4.0 Provincial and Federal Funding Programs

4.1. Federal Funding Opportunities

The Government of Canada's National Housing Strategy features complementary initiatives working together to address challenges across the housing continuum and spectrum of housing needs. Canada Mortgage and Housing Corporation (CMHC) is leading and delivering the National Housing Strategy federal initiatives. In some cases, CMHC will work with other federal departments or agencies to deliver the programs. In other cases, services may be contracted out to third parties.

In 2022, the Federal Budget was released with overviews for new programs for housing. These programs include the Cooperative Housing Development Program, and Infrastructure funding. Additionally, modifications to existing programs (Rapid Housing Initiative, National Housing Co-Investment Fund, and Rental Construction Financing Initiative) were announced. The federal budget also proposes to provide \$4 billion over five years beginning in 2022-2023 to CMHC to launch a new Housing Accelerator Fund. This fund will have a flexible single application system and is meant to be flexible to what communities need. It could include an annual per-door incentive for municipalities or up-front funding for investment in municipal housing planning and delivery processes to speed up housing development. The existing programs are outlined below.

4.1.1. Canada Mortgage and Housing Corporation Programs

CMHC is the Crown Corporation that serves as the national housing agency of Canada that provides a range of services for home buyers, the government, and the housing industry. The primary focus of CMHC is to provide federal funding for Canadian housing programs, particularly to groups with demonstrated needs. Highlights of these programs are provided below.

4.1.1.1. Seed Funding¹⁷

The Seed Funding program supports affordable housing through interest-free loans and/or non-repayable contributions. There are two funding streams: one for **new construction/conversions**, and one to **preserve existing community housing projects**.

The **New Construction Stream** provides interest-free loans and/or non-repayable contributions to help with costs related to pre-development activities. This can include business plans, preliminary designs, development permits and more. The loan can be combined with non-repayable contributions.

The maximum non-repayable contribution funding amounts are determined during the scoring and prioritization process completed by CMHC. Proponents could receive a contribution increase of up to 10% if the project supports the focus areas outlined by CMHC.

Eligible project types for this stream include community and affordable housing, mixed-use market and affordable rental housing, conversion of non-residential buildings to affordable multi-residential housing, and renovation of existing affordable units at risk of being abandoned or demolished.

Preservation Funding provides financial assistance to support the cost of completing preservation activities. This funding helps existing community housing providers remain viable and prepare for future funding opportunities.

Currently, the maximum Preservation Funding available per project to complete eligible activities is \$50,000. Maximum funding may be increased to \$75,000 on a case-by-case basis. Each Funding Agreement offers up to 18 months from the approval date to complete the approved activities.

An update to the **New Construction Stream** program of Seed Funding was included in the 2022 Federal Budget announcement. The proposed changes included an interest-free loan for up to \$350,000. It should be noted that these changes have not been implemented yet and further details are yet to be released.

¹⁷ CMHC Seed Funding, published June 25, 2021. <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/seed-funding>

Applicability to school sites:

- The new Construction Stream of the Seed Funding Program may be used to assist with the costs associated with pre-construction activities. This may include work to determine the feasibility of housing development at existing school sites and the preparation of preliminary designs. The conversion of non-residential buildings to affordable multi-residential housing is outlined as an eligible project type to receive this funding. The project must also be primarily residential, have a minimum of five affordable units, and be considered affordable (as determined by the municipality and/or province) to receive Seed Funding. The maximum contribution offered through the New Construction Stream of the Seed Funding program differs based on the proponent type. Municipal, provincial, territorial governments can receive up to 30% of the total approved funding, to a maximum of \$150,000 (whichever is less).
- Seed Funding can be combined with other streams of funding offered from CMHC and other sources.

4.1.1.2. Co-Investment Funding¹⁸

The National Housing Co-Investment Fund provides low-cost loans and/or financial contributions to support and develop mixed-income, mixed-tenure, mixed-use affordable housing. It covers a broad range of housing needs, from shelters to affordable homeownership. Housing must be energy efficient, accessible, and socially inclusive. The Fund prioritizes projects that support partnerships between governments, non-profits, private sector, and others to make federal investment go further.

There are two streams within the fund: the **Housing Construction Stream** is for new construction, while the **Housing Repair and Renewal Stream** is for the preservation and renewal of the existing community and affordable housing supply

Proponents of the **National Housing Co-Investment Fund New Housing Construction Stream** are eligible for loans and/or financial contributions depending on the needs of the project and the level of achievement of the National Housing Strategy outcomes. Different combinations of loans and/or contribution are possible. Under the National Housing Co-Investment Fund New Housing Construction Stream there is \$5.19 billion

¹⁸ National Housing Co-Investment Fund: New Construction. Published May 26, 2022. <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/co-investment-fund/co-investment-fund-new-construction-stream>

available through low-cost repayable loans over 10 years and \$2.26 billion available through capital contributions over 10 years. Capital contributions may be available in addition to a Co-investment loan and a project may be eligible to receive a contribution without a Co-investment loan. The maximum eligible low-interest loan and/or contribution amount is determined through a scoring grid.

Proponents of the **National Housing Co-Investment Fund Housing Repair and Renewal Stream** are eligible for loans and/or financial contributions depending on the needs of the project and the level of achievement of the National Housing Strategy outcomes. Capital contributions may be available in addition to a Co-investment loan and a project may be eligible to receive a contribution without a Co-investment loan.

An update to the **National Housing Co-Investment Fund** program was included in the 2022 Federal Budget announcement. In this budget, additional funding was allocated to the program and a streamlined application process with a focus to decrease the turnaround time. It should be noted that these changes have not been implemented yet and further details are yet to be released.

Applicability to school sites:

- The New Housing Construction Stream of the Co-Investment Funding program may be applicable for the re-use of existing school sites as housing. The program allows access to low-interest repayable loans that will be available for up to 20 years to fund projects demonstrating financial viability and long-term affordability. Non-repayable contributions are also available. The conversion of non-residential buildings to affordable multi-residential housing is outlined as an eligible project type to receive this funding. The project must also be primarily residential, have a minimum of five affordable units, and meet additional minimum requirements for partnerships. These minimum requirements include financial viability, affordability, energy efficiency, and accessibility.
- The re-use of existing school sites would meet several of the project characteristics that are considered priorities in applications. These priorities include achievement of National Housing Strategy outcomes, affordability, energy efficiency, accessibility, proximity to transit and community supports, social inclusion, and supporting federal priority groups.
- Co-Investment funding can be combined with Seed Funding and other streams of funding offered from CMHC and other sources.

- It should be noted that this program requires financial and/or non-financial investment from another level of government. As such, providing the school site at below market value to a private developer may be one form of investment that the City can make. The City may also choose to provide other financial and non-financial incentives to support project proponents.

4.1.1.3. Rental Construction Financing Initiative¹⁹

The Rental Construction Financing Initiative is a program that provides low-cost loans to encourage construction of rental housing across Canada. It supports sustainable apartment projects in areas where there is a need for additional rental supply. The initiative focuses on standard apartment projects in Canada with general occupants. It does not support construction of niche housing types such as retirement homes, single room occupancy and student housing. Projects situated on a reserve may be eligible for financing if the borrower can demonstrate that enforceable security over the lands can be granted to CMHC.

The Rental Construction Financing Initiative has a total of \$13.75 billion in available loans. The loan offers:

- a 10-year term (closed to pre-payment) and a fixed interest rate locked in at first advance for certainty during the riskiest periods of development.
- up to a 50-year amortization period.
- CMHC mortgage loan insurance that is effective from first draw and for the duration of the amortization period to simplify loan renewal. The borrower does not pay the premium, only the PST if applicable.
- up to 100% loan to cost for residential space and up to 75% loan to cost for non-residential space (depending on the strength of the application).
- interest only payments financed by the loan during construction through to occupancy permit.
- principal and interest payments are due after 12 months of stabilized effective gross income.

CMHC rental construction financing provides low-cost funding to eligible borrowers during the most risky phases of product development of rental apartments

¹⁹ Rental Construction Financing Initiative. Published July 20, 2020. <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/rental-construction-financing-initiative>

(construction through to stabilized operations). The minimum loan is \$1,000,000, and a maximum of up to 100% of Loan to Cost (for residential loan component).

An update to the **Rental Construction Financing Initiative** program was included in the 2022 Federal Budget announcement. In this budget, the program was reformed to strengthen affordability and energy efficiency requirements. Additionally, developers who significantly exceed requirements will be eligible to have a portion of their repayable loans converted to non-repayable loans. It should be noted that these changes have not been implemented yet and further details are yet to be released.

Applicability to school sites:

- The Rental Construction Financing Initiative may be applicable for the re-use of existing school sites as the conversion of non-residential buildings to affordable multi-residential housing would be an eligible project type to receive this funding if the housing is rental in tenure. The project must have a loan of at least \$1,000,000, have a minimum of five rental units, have zoning in place, be responding to a need for rental supply, and meet additional minimum requirements. These minimum requirements include thresholds for financial viability, affordability, energy efficiency, and accessibility.
- Rental Construction Financing can be combined with Seed Funding and other streams of funding offered from CMHC and other sources. The City can also provide financial and non-financial incentives to support projects.

4.1.1.4. Rapid Housing Initiative²⁰

The Rapid Housing Initiative (RHI) aims to create new affordable housing for people and populations who are vulnerable. The program previously aimed to create a total of 10,254 new units with the support of RHI in two rounds of funding, RHI 1 and RHI 2. An update to the RHI program was included in the 2022 Federal Budget announcement. In this budget, the program was extended to Round 3 with \$1.5 billion of funding over two years. It should be noted that these changes have not been implemented yet and further details are yet to be released.

RHI 1 and 2 provided capital contributions under two streams, **Major Cities Stream** and **Projects Stream**, to expedite the delivery of affordable housing. Major Cities Stream provides \$500 million in immediate support for pre-determined municipalities. The

²⁰ Rapid Housing Initiative. Published April 7, 2022. <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/rapid-housing>

municipalities were determined based on metrics including the levels of renters in severe housing need and of people experiencing homelessness. The Projects Stream provides \$500 million for projects based on applications from provinces, territories, municipalities, Indigenous governing bodies and organizations, and non-profit organizations.

The objectives of the streams were to support the creation of new permanent affordable housing units; cover the construction of new rental housing units, the acquisition of land, and the conversion/rehabilitation of existing buildings to affordable housing; and to commit all funds as quickly as possible to ensure housing is available within 12 months of agreements unless otherwise agreed upon.

Applicability to school sites:

- Funding from the Rapid Housing Initiative through the Projects Stream may be used for school sites where the funding would cover the construction of new rental housing units, as well as the conversion/rehabilitation of existing buildings to affordable housing.
- Rapid Housing funding can be combined with Seed Funding and other streams of funding offered from CMHC and other sources.
- This also presents an opportunity to partner with Halton Region (as the Service Manager) as well as community agencies to provide support services to future residents of the project.

4.2. Provincial Funding Opportunities

4.2.1. Canada-Ontario Community Housing Initiative²¹

The Canada-Ontario Community Housing Initiative (COCHI) provides funding to Service Managers to replace the federal Social Housing Agreement funding that expires each year, beginning April 2019. This funding can be used by Service Managers to repair, regenerate, and expand community housing and to protect affordability support for tenants. It can also be used to support community housing providers whose original program arrangements are expiring and help them to become more sustainable. Service Managers will be required to give priority to Indigenous housing providers under the Urban Native Housing program. In addition, funding will be available to support other legacy social housing providers who have received Social Housing Agreement funding through provincial ministries, such as some supportive housing providers.

Funding priorities for the first three-year period (2019-2022) are:

- To protect rent-geared-to-income tenants in non-profit and co-operative housing projects with expiring operating agreements/mortgages;
- To assist community housing providers with expiring operating agreements/mortgages up to 2021-22 to transition to an operationally sustainable approach to providing high quality community housing; and,

²¹ Canada-Ontario Community Housing Initiative. Published September 4, 2019. Updated June 14, 2022. <https://www.ontario.ca/document/community-housing-renewal-ontarios-action-plan-under-national-housing-strategy/taking-action>

- Achieve no net loss of Urban Native Housing units, through repair, capital replacement, household affordability support and/or operating subsidies to achieve provider sustainability.

Investments through the National Housing Strategy combined with incentives for community housing providers could support property redevelopment and regeneration to create more accessible housing choices – providing more choices for people with disabilities and for seniors aging in place.

Applicability to school sites:

- While the primary focus of the first three-year period (2019-2022) of the COCHI program is to protect existing community housing in Ontario, there may be opportunities to partner with community housing providers to increase the supply of affordable housing in Burlington through the re-use of existing school sites.
- There is an opportunity to layer this funding with funding from the federal programs administered by CMHC.

4.2.2. Ontario Priorities Housing Initiative²²

The Ontario Priorities Housing Initiative (OPHI) provides flexible funding to all 47 Service Managers and the two Indigenous Program Administrators to address local priorities in the areas of housing supply and affordability, including new affordable rental construction, community housing repair, rental assistance, tenant supports and affordable homeownership.

Eligible funding activities within OPHI are increasing community housing supply (e.g., construction of housing or conversion to housing); preserving affordable and social housing which can include repair, renovation, or adaptation of housing; providing affordability support such as housing allowances, rent supplements and homeowner down payment assistance. Under the Ontario Priorities Housing Initiative, housing providers can dedicate a percentage of spending for supports that will keep people housed and prevent homelessness.

²² Ontario Priorities Housing Initiative. Published September 4, 2019. Updated June 14, 2022.
<https://www.ontario.ca/document/community-housing-renewal-ontarios-action-plan-under-national-housing-strategy/taking-action>

Applicability to school sites:

- The conversion of non-residential buildings to housing is outlined as an eligible project type to receive this funding and, as such, presents an opportunity for community housing providers to increase the supply through the re-use of existing school sites.
- Funding through OPHI can be combined with funding from federal programs. There is also an opportunity for the City to provide financial and non-financial incentives to support projects receiving this funding to increase the supply of affordable housing in Burlington.

4.2.3. Canada-Ontario Housing Benefit²³

The Canada-Ontario Housing Benefit (COHB) program is jointly funded through the 2017 National Housing Strategy Bilateral Agreement and is Provincially delivered. The COHB will build on the Ontario Portable Housing Benefit-Special Priority Policy to increase affordability of rental housing in Ontario by providing portable housing benefits directly to households in need that are on, or eligible to be on, a social housing waiting list and to households in financial need living in Community Housing. The COHB program provides an alternative to waiting for a rent-geared-to-income unit to become available.

The COHB program is targeted to eligible households including persons experiencing or at risk of homelessness, Indigenous persons, seniors, and people with disabilities, as well as households living in community housing. Survivors of Domestic Violence and Human Trafficking who had been receiving Ontario's Portable Housing Benefit – Special Priority Policy (PHB-SPP) program were automatically transitioned to receiving assistance under the COHB in April 2020. The program currently provides over 9,000 low-income households with portable housing benefits (PHB) through the program.

Applicability to school sites:

- The primary focus of the COHB program is to providing portable housing benefits directly to households in need that are on, or eligible to be on, a social housing waiting list and to household in financial need living in Community Housing. However, adding to the supply of affordable housing through the reuse of school

²³ Canada-Ontario Housing Benefit. Published September 4, 2019. Updated June 14, 2022.

<https://www.ontario.ca/document/community-housing-renewal-ontarios-action-plan-under-national-housing-strategy/taking-action>

sites can provide COHB recipient households additional options so they can move to or remain in Burlington.

4.2.4. Long-Term Care Home Capital Development Funding²⁴

The **Long-Term Care Home Capital Development Funding Policy, 2020** is intended to provide funding to eligible operators to support the development of a new long-term care (LTC) home or beds, or redevelopment of an existing LTC home or beds to the current design standards for LTC homes.

The funding for the LTC home capital development policy includes three funding components: a construction funding subsidy per diem, a development grant, and a planning grant (available to non-profit homes).

Applicability to school sites:

- The Long-Term Care Home Capital Development Funding policy provides funding to support the development of a new long-term care home or beds. These facilities could be provided within existing school sites, as these sites are located within the urban fabric of local neighbourhoods and provide an opportunity for those who require LTC services to age in place.

4.3. Other Programs

4.3.1. Federation of Canadian Municipalities²⁵

The Federation of Canadian Municipalities (FCM) offers grants for municipal environmental projects through the Green Municipal Fund. Loans are also available to municipalities at competitive rates, and most recipients receive an additional grant of up to 15 percent of their loan amount. Municipal partners may apply for competitive, long-term financing. Capital projects meeting certain criteria are eligible for FCM funding. This funding supports measures to install physical infrastructure, to create new housing units that are designed to achieve net-zero-ready building energy performance. Canadian municipal governments and municipally owned corporations are eligible to apply.

²⁴ Long-Term Care Home Capital Development Funding. Published September 10, 2020. Updated June 3, 2022. <https://www.ontario.ca/page/long-term-care-home-capital-development-funding-policy-2020>

²⁵ FCM New Construction of Sustainable Affordable Housing. Accessed June 1, 2022. <https://www.ontario.ca/page/long-term-care-home-capital-development-funding-policy-2020>

FCM funding includes financing for up to 20% of total eligible project costs, up to a maximum combined financing of \$10,000,000. The funding is comprised of 50% grant funds and 50% loans.

Projects working toward net-zero-ready buildings can reach this target through a range of methods and building performance standards. These include, but are not limited to, Passive House®, LEED® Platinum, or Canada Green Building Council's Zero Carbon Building. GMF does not require certification through any of these programs. Funding is stackable with CMHC's Co-Investment Fund and other initiatives of the National Housing Strategy, as well as programs available through the provinces or territories.

Applicability to school sites:

- Grants and loans may be pursued through the FCM's Green Municipal Fund to ensure the new housing units created on existing school sites are energy efficient and environmentally sustainable as this will help lower operating costs and contribute to financial sustainability.
- FCM Funding is stackable with CMHC's Co-Investment Fund and other initiatives of the National Housing Strategy, as well as programs available through the provinces or territories.

4.3.2. Social Enterprise Financing

The following social enterprise financing organizations provide access to loans with favourable conditions for non-profit organizations committed to making a difference in their community. These would be applicable if the school sites are provided to non-profit organizations to develop affordable housing.

4.3.2.1. Community Forward Fund²⁶

Community Forward Fund (CFF) provides loans to non-profits, charities, and non-profit social enterprises for a wide variety of sectors including housing, renewable energy, and community spaces. Since fund inception, CFF has placed over \$8,704,293 in loans to 14 organizations in the Housing sector. The loans have supported affordable housing for low-income families, Indigenous communities, and women in four provinces and territories, including Ontario.

²⁶ Community Forward Fund, 2018. <https://communityforwardfund.ca/>

4.3.2.2. Canadian Co-operative Investment Fund

Canadian Co-operative Investment Fund (CCIF) invests in the co-operative sector in the form of loans, equity, and quasi equity investments. CCIF primarily focuses on supporting the growth of existing co-ops, the conversion of traditional businesses into co-ops, and start-up financing for new co-ops. Since fund inception, CCIF has placed \$3,214,717 in loans to 4 co-operatives in the Housing sector. The loans have supported affordable housing for low-income families and Indigenous communities in two provinces, including Ontario.

4.3.2.3. HPC Housing Investment Corporation²⁷

Supported by the CMHC Affordable Housing Innovation Fund, HPC Housing Investment Corporation (HIC) delivers long-term, low-cost financing to housing non-profits and cooperatives to build more affordable housing and regenerate Canadian community housing portfolios. HIC products include a fixed rate 30+ year loan, housing knowledge, and finance expertise.

²⁷ HPC Housing Investment Corporation, 2019. <https://www.housinginvestment.ca/>

5.0 Engagement Considerations

5.1. Attainable/Affordable Housing Context

Survey 2 of the Housing Strategy project was used to contextualize the technical analysis contained in the Housing Needs and Opportunities Report revealed a number of themes from residents related to the lack of diversity in housing, soaring rental rates, and the unattainability of home ownership. Feedback highlighted that some residents are having to live in non-ideal settings, including moving back in with family members, having family members move in with them, or having to live in shared accommodation. Further feedback indicated that there is frustration with being outbid for housing and the low quality and inadequate size of housing for the sale price. Overall, input on the challenges to securing attainable housing in the City reflected fear, frustration, and hopelessness regarding the current housing situation.

Another key theme that emerged through the Housing Strategy development was the recognition around competing interests and attitudes toward housing, between those who are in need of housing and those that express opposition to changes in their community. Concerns were raised about how change will impact their neighbourhood, their quality of life and the value of their homes, some rooted in misinformation, stereotypes or prejudice directed to those who may live in certain dwelling types. While this opposition and lack of buy in was not shared by the majority of those who provided feedback, it was present throughout the project.

To address some of these broader challenges around public opposition for housing projects, the City's Housing Strategy identifies a number of actions to increase the public's awareness around the positive outcomes associated with attainable and affordable housing. Some examples include Action 2 in the Housing which is intended to build connections and increase broad-based support for affordable housing solutions. Sub-Action 23 provides even more specific direction, recommending that the City develop awareness/information programs for:

- Builders and developers to assist in understanding the City's targets and opportunities for incentives at various levels to assist in the creation of housing (affordable, market, rental, etc.);
- Residents and Council to assist in understanding the City's targets, the importance of a healthy balance of housing along the continuum and the benefits

of this to the community. This could also include a fact sheet where common arguments such as decreased property values, increased congestion are put into context; and

- Residents to assist in understanding the various forms of housing types and arrangements to foster neighbourhood support for new residential development. This could include actions such as hosting neighbourhood walks, information sessions, and informative videos to highlight the importance and benefits of gentle intensification to address “missing middle” housing and balancing localized neighbourhood impacts within the broader context of providing housing options for all current and future residents of Burlington.

5.2. School Site Redevelopment Engagement Opportunities

The actions contained within the Housing Strategy provide a clear framework for a broader, City-scale dialogue on the importance of attainable and affordable housing. Beyond the actions recommended in the Strategy, the City has several additional opportunities to engage with external stakeholders and the public on future school acquisition / redevelopment projects. There is no one-way or set way to approach external engagement; however, it might be helpful for the City to consider the following different stages of the development process:

- **Pre-Bidding Stage:** At this stage of the process, there is no specific site on the market. It remains unclear what will become available in the future for the City to consider. The objective of any engagement undertaken at this stage of the process is to collect market insight and knowledge around future opportunities to best position the City should an opportunity emerge. Generally, there is maximum flexibility in the pre-bidding stage for the City to continue to explore a wide range of opportunities, such as:
 - Who are our private sector and not-for-profit/institutional partner options for developing affordable and attainable housing in Burlington?
 - What types of incentives do private sector developers need to offset their costs? What kinds of terms and conditions would be needed to ensure the longevity of the housing? How important is it that the City acquire the land as part of a future deal?
 - What types of incentives do not-for-profit / institutional developers need to offset their costs? What kinds of terms and conditions would be needed

to ensure the longevity of the housing? How important is it that the City acquire the land?

- What are the school board's long-term plans in Burlington? What opportunities may be coming up over the next 5 to 10 years?
- **Bidding Stage:** Once there is a site-specific opportunity on the table for consideration, the City has a finite amount of time to make a decision as to whether or not it will bid on a specific site. Given the limited amount of time (90 days) the focus of any engagement opportunities would be focused on internal communication at the City, Council engagement and for practical reasons, broader external engagement would be minimal (this step can be streamlined where the City has a clear policy directive in place as to what its approach will be when a surplus site comes up for bidding). And while the decision to bid on specific opportunity would benefit from a basic understanding that there is broader city-scale buy-in/support, the acquisition it is not crucial that specific neighbourhood buy-in for a particular vision is established at this stage of the process.
- **Post Acquisition / Pre-Partner Stage:** This third stage of the process represents the period where the City has a significant amount of flexibility and creativity around stakeholder and community engagement. Much of the specifics would be dictated by how the City approaches its partnership opportunities. In a scenario where the City has acquired a surplus site, this is optimal period to build community/neighbourhood support for the vision and accordingly, it would be appropriate to have community scale conversations around the development vision (which could then be rolled into any future agreements with developers/builders). It is also important to note that this stage of process does not preclude the City from inviting prospective developers (non-profit / private) to put forward their own visions for the redevelopment of the site.
- **Development Approvals Stage (Planning Act Processes):** The Planning Act process offers several opportunities for further community and stakeholder engagement, associated with the various development approvals, such as site plan approval, plan of subdivision, zoning by-law amendments, etc. The Planning Act prescribes minimum requirements for public input and in practice there would be multiple opportunities for additional community and stakeholder dialogue through the applications process. The one caveat here is that the City may have less control over the engagement process at this stage, as presumably

a developer will be leading the dialogue and the City would be resuming its role as an approval authority.

6.0 Next Steps

This technical Memo provides an overview of the general parameters related to municipal acquisition of surplus school lands. The Memo highlights the legislative parameters, some common practices elsewhere in Ontario, a review funding programs and preliminary guidance on the opportunities for external community engagement. The Memo provides a technical foundation for the City to deliberate further on how to approach these unique opportunities in the future and represents Phase 1 to address the Staff Direction. The City of Burlington envisions that Phase 2 of this work will be to report back in Q2 2023 with a Strategic Land Policy that includes a municipal policy directive on surplus school sites which will inform the multi-year community investment plan.