



	REPORT NO.: 2018-10
MEETING DATE: FEBRUARY 15, 2018	DATE PREPARED: JANUARY 25, 2018
SUBJECT: SOCIAL HOUSING APARTMENT IMPROVEMENT PROGRAM (SHAIP) – PROGRAM DELIVERY AND FISCAL PLAN (PDFP)	

RECOMMENDATION

THAT with respect to Report No. 2018-10 (Housing Services Division) we, The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve the Social Housing Apartment Improvement Program (SHAIP) Program Delivery and Fiscal Plan (PDFP) 2017/18 – 2021/22 as presented;

AND THAT the Board authorizes the Chief Administrative Officer to submit the approved PDFP 2017/18 – 2021/22 to the Ministry of Housing (MHO);

REPORT SUMMARY

To provide the Board with background information and allocation proposal for the SHAIP funding provided by the MHO.

BACKGROUND

On June 8, 2016, Ontario released its Climate Change Action Plan (CCAP) which identified policies and programs to ensure reduced near- and long-term Greenhouse Gas emissions. Ontario is targeting a reduction in Greenhouse Gas (GHG) of 15 per cent by 2020, 37 per cent by 2030 and 80 per cent by 2050 (based on 1990 measured emissions).

On August 24, 2017, the MHO announced a new funding program, SHAIP, to support the CCAP. The program includes a total provincial investment of \$657 million over 5 years, contingent on carbon market proceeds.

The program is aimed at reducing greenhouse gas emissions through retrofits and repairs to social housing apartment buildings. This announced amount includes the \$82 million for the Social Housing Apartment Retrofit Program (SHARP) released in 2016/17, along with new additional years with SHAIP funding.

These investments are part of Ontario's plan to fight climate change by investing carbon market proceeds to improve housing for low-income and vulnerable tenants, lower the energy costs of social housing providers in communities across Ontario and reduce greenhouse gas emissions. The greenhouse gas retrofits may include new energy

efficient boilers, lighting retrofits, improved insulation, weather stripping, solar walls and window replacements using the latest low-carbon and carbon-free energy technologies.

This funding will be earmarked for high-rise apartment buildings of 150 units or greater in the first year (2017/18), with buildings of 100 or more units eligible in the subsequent years (2018-2021). Studies have shown that high-rise buildings can use up to 25 per cent more energy per square metre than a typical house. In Ontario, much of the housing stock dates back to the 1960s and 1970s, when builders paid little attention to energy efficiency and greenhouse gas emissions.

These high-rise buildings are at a period in their lifecycles when major building systems need replacing. For TBDSSAB, two buildings will qualify for this program in the first year (Andras Court and Spence Court) and an additional seven buildings will qualify in the subsequent years. There are no non-profit housing provider properties that meet the province's size criteria for this program.

The MHO is requiring energy audits and follow-up energy use data to help measure the real impacts of the retrofits, and calculate greenhouse gas reductions.

At the November 23, 2017 Board meeting, the Board approved the execution of the SHAIIP Transfer Payment Agreement and submission of the program business case to the Ministry (Resolution No. 17/120). At that time, the PDFP was not yet provided by MHO.

COMMENTS

The attached PDFP outlines the projects that will be completed through the TBDSSAB's SHAIIP funding for 2017/18 through to 2021/22.

Four projects have been determined to be the priority for 2018, and were presented to the Board at the November 23, 2017 meeting. All of these projects involve the Andras Court building, the largest property in the TBDSSAB portfolio. These projects include the replacement of 96 window panels, new insulation for the main building roof and parking garage roof, and exterior insulation and sealing of the building walls.

Currently, some of the window panels are being replaced at Andras Court under the SHARP funding, and it is proposed to continue with the replacements. As the window panel project is being completed, the north building walls will be retrofitted with new insulation and cladding in order to improve the thermal efficiency and weather resistance. The roof on the parking garage and the roof of the apartment complex at 120 South Cumberland Street will receive additional insulation and new rubber membranes to reduce heat loss and provide greater weather resistance.

With the funds available through the SHAIIP funding and the limited timelines for completing these large projects, only the north building, 120 South Cumberland Street will be completed in 2018. Future funding programs may allow for the completion of the roof, insulation and cladding of the south building at 122 South Cumberland Street or this work would be proposed through ongoing capital improvement planning.

Pending future carbon market proceeds, the TBDSSAB is conditionally allocated up to \$7,360,537 from 2018/19 to 2020/21. The actual allocation realized in each of these years may therefore vary.

FINANCIAL IMPLICATIONS



There are no financial implications arising from this report.

CONCLUSION

It is concluded that this report provides the Board with information and Administration’s recommendation for the PDFP submission with respect to the TBDSSAB’s 2017/18 – 2021/22 SHAIIP allocation.

REFERENCE MATERIALS ATTACHED

Attachment #1 – [SHAIIP Program Delivery and Fiscal Plan 2017/18 – 2021/22](#)

PREPARED BY:	Aaron Park, Manager, Housing and Homelessness Programs Barry Caland, Manager, Facilities The District of Thunder Bay Social Services Administration Board
APPROVED / SIGNATURE:	 Ken Ranta, Director, Housing Services, Housing Services Division The District of Thunder Bay Social Services Administration Board
SUBMITTED / SIGNATURE:	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board

1. Proposed Plan

Briefly describe how you intend to use your SHAIP allocation to save energy and reduce green house gas emissions in the buildings located in your community. The proposed plan should cover the following issues:

- 1) What repair and retrofit activities would you be taking up under the program to save energy and reduce green house gas emissions, i.e. replacing windows, upgrading/adding insulation.
- 2) In total, how many eligible buildings and units do you intend to retrofit in your community?
- 3) Have any of these buildings received funding from the province for repair and retrofit activities before? If so, under which program(s)?
- 4) Do you intend to leverage SHAIP funding to access additional funding from other sources (i.e. Enbridge programs)?

The proposed plan is intended to be a summary of the details outlined in the charts below. The proposed plan may be submitted as a Word document.

- 1) Replacing windows, new roof, adding insulation and cladding
- 2) 2018 - 1
2019 - 9
2020 - 8
2021 - 8
- 3) SHARP, SHIP, SHRRP
- 4) Yes, energy efficiency rebates through Union Gas and Thunder Bay Hydro

2. Planned Financial Commitments

Complete the following tables to indicate the portion of your annual allocation you plan to spend in each quarter for the SHAIIP program. "Spend" is defined as the SM making payments to Housing Providers/Local Housing Corporation:

Enter the amount to be used as administration fees for each year. Administration fees cannot exceed 5% of your total four-year funding allocation.

If you received approval to bring forward funds in Year 1, please include the approved funding in the column for Year 1 for each applicable program component.

Please provide your best estimates when completing the highlighted sections.

PLANNED FINANCIAL COMMITMENTS BY YEAR

Program Component	Notional Allocation				TOTAL
	Funding Year 1 2017-18	Funding Year 2 2018-19	Funding Year 3 2019-20	Funding Year 4 2020-21	
Enter your total SM conditional allocation for each fiscal year (a)	1,680,495	2,453,512	2,453,512	2,453,512	9,041,032
SHAIIP eligible work for eligible/approved buildings	1,596,470	2,330,836	2,330,836	2,330,836	8,588,979
SM Administration Fees (up to max 5% of yearly total)	84,025	122,676	122,676	122,676	452,052
Total Approved Allocation (based on carbon market proceeds) To be filled by MHO(b)					0
Variance (a-b)	1,680,495	2,453,512	2,453,512	2,453,512	9,041,032

Funding Year 1 (2017-18): PLANNED FINANCIAL COMMITMENTS BY QUARTER

Enter the full amount of SHAIIP funding in the quarter in which you plan to spend the funds. A quarterly plan is required for each fiscal year.

Funding Year 1 - 2017-18 Quarterly Plan

Program Component	Quarter 1 Apr - Jun	Quarter 2 Jul - Sep	Quarter 3 Oct - Dec	Quarter 4 Jan - Mar	TOTAL
Conditional /Approved Allocation (a)					1,680,495
SHAIIP Eligible Works				1,596,470	1,596,470
SM Administration Fees					84,025
TOTAL (b)					1,680,495
Variance (a-b)					0

Funding Year 1 - 2018 - 19 Quarterly Plan cont.

Program Component	Quarter 1 Apr - Jun	Quarter 2 Jul - Sep	Quarter 3 Oct - Dec	Quarter 4 Jan - Mar	TOTAL
Conditional /Approved Allocation (a)					2,453,512
SHAIIP Eligible Works	582,709	582,709	582,709	582,709	
SM Administration Fees					122,676
TOTAL (b)					122,676
Variance (a-b)					2,330,837