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Report 2024-097

Report Title: 123 King Street, Colborne Redevelopment

Committee Name: Social Services

Committee Meeting Date: July 31, 2024

Prepared by: Neil Ellis
Housing Services Manager
Community and Social Services

Reviewed by: Rebecca Carman
Associate Director, Housing and Homelessness
Community and Social Services

Lisa Horne
Director
Community and Social Services

Approved by: Jennifer Moore, CAO

Council Meeting Date: August 14, 2024

Strategic Plan Priorities: Innovate for Service Excellence
 Ignite Economic Opportunity
 Foster a Thriving Community
 Propel Sustainable Growth
 Champion a Vibrant Future

Recommendation

“**That** the Social Services Committee, having considered Report 2024-097 ‘123 King Street, Colborne Redevelopment’, recommend that County Council authorize a draw of Housing Reserves for the pre-construction work at 123 King Street, Colborne with an upset limit of \$1,500,000.”

Purpose

To seek a draw of Housing Reserves for pre-construction work at 123 King St., Colborne with an upset limit of 1,500,000.

Background

The Northumberland County Housing Corporation (NCHC) acquired 123 King Street, Colborne in March 2023 for \$1,550,000. This property is located east of downtown Colborne and contains 22 bachelor residential units. The building condition at time of purchase was identified as being fair to poor. Upon acquisition there was an intent to redevelop the site within five years. The property is surrounded by land which is being redeveloped by Fidelity Homes. The proposed subdivision which surrounds 123 King Street, Colborne will contain a mix of single-family homes, semi-detached homes, townhouses and apartments.

Consultations

A Building/Property Condition Assessment was completed by the previous landowner in September 2022 by RCE Engineers. This report indicated that the major building elements were in fair to poor condition.

A Preliminary Functional Servicing Report (FSR) was completed by D.M. Wills Associates Limited in November 2023. The FSR report contains analysis of municipal sewage and water systems available to the property. It also contains information pertaining to storm servicing and stormwater management. No constraints have been identified in the report that would preclude the redevelopment.

A Development Feasibility Study was completed by McGlashon Planning Consultants in December 2023. This report analyzed the feasibility of redeveloping of the property with the goal of creating additional affordable rental units with one or more new buildings on a phased basis without displacing current residents. No constraints were identified in the report that would preclude the redevelopment.

Internal consultations were held with the Public Works and Finance departments.

Legislative Authority / Risk Considerations

N/A

Discussion / Options

At the June 6, 2024 meeting of the NCHC Board of Directors, a proposal to redevelop 123 King Street East, Colborne was received. The board was presented with two options for redevelopment.

1. Developing to a density of 43 units, which aligns with the medium density guideline of the Cramahe Official Plan. This option consists of constructing multiple buildings of up to 3-stories in two phases to permit the continued use of the existing building by residents until occupancy is available in the new build.
2. Developing to a higher density of 60 units. As in option one the construction would contain multiple buildings and occur in phases allowing residents to remain housed until occupancy is available in the new build. This option requires amendments to both the Cramahe Official Plan and Zoning By-Law.

The NCHC board selected option 2, to redevelop the site to 60 units. The Preliminary Functional Services Report and Feasibility Study both indicate that the site can accommodate 60 units. As part of the pre-development work an amendment will be sought to the Cramahe Official Plan and Zoning By-Law.

The intention is to build in phases, relocating current residents into a new building when Phase One is complete before demolishing the current structure. The redevelopment will include a mix of dwelling units.

Financial Impact

This recommendation will have a draw on Housing Reserves in the amount of \$1,500,000. The Housing Reserve currently sits at approximately \$2,000,000 of uncommitted funds, not including the full \$500,000 annual levy investment. This draw on the Housing Reserve will leave the available balance at less than \$1,000,000. The current balance of the Housing Reserves should be monitored closely.

Member Municipality Impacts

The redevelopment of 123 King Street, Colborne will create approximately 38 new affordable housing units in Cramahe.

Conclusion / Outcomes

It is recommended that the Committee approve the request of the NCHC for a draw on Housing Reserves for pre-construction costs and forward this request to Council.

Attachments

- 1) Report 2024-097 ATTACH 1 'Presentation – 123 King Street, Colborne Redevelopment'