

Bay Cannon

Overview

CityHousing Hamilton's (CHH) is pursuing the development of the Bay-Cannon site for two phases of innovative downtown Hamilton infill, delivering deeply affordable, near-net zero, community-focused housing for families and singles/couples.

The development will be a 55 unit building of 35 1-bed and 20 3-bed units, which was informed by the findings of a market assessment along with a feasibility study. The first phase of Bay-Cannon is proposed to accommodate the transfer of 45 RGI units from the Jamesville site which is undergoing redevelopment, as well as include 10 additional moderately affordable market units, with the second phase unit allocation yet to be determined.

Background

106-104 Bay Street North (Bay-Cannon) was made available by the City of Hamilton through their Affordable Housing Land Disposition Strategy and was identified in Report 17021(b) for the relocation of 45 RGI units from Jamesville, as it is in proximity to Jamesville and ideally suited for a development that both incorporates this amount of RGI units as well as additional moderately affordable units.


The Jamesville redevelopment, as detailed in Report #17007(a) on September 25, 2018, summarizes the research and rationale for relocation of 45 RGI units. A Feasibility Study with Options Studies were underway from February 6, 2018. They provide physical and financial modelling that has informed the recommendations presented in this Report.

Through Report #18004, CHH's board approved the transfer of the 45 units from Jamesville as well as the creation of approximately 10 moderately affordable market rentals at 100% MMR. Outlining the design plan for this development.

With the original project costing completed in 2017, CHH prepared a review of the financial costs of their 5 new developments projects, which included a market survey of current affordable housing developments, professional quantity surveyor costing of schematic designs, internal and industry analysis based on the current construction market in Report 17021(c).

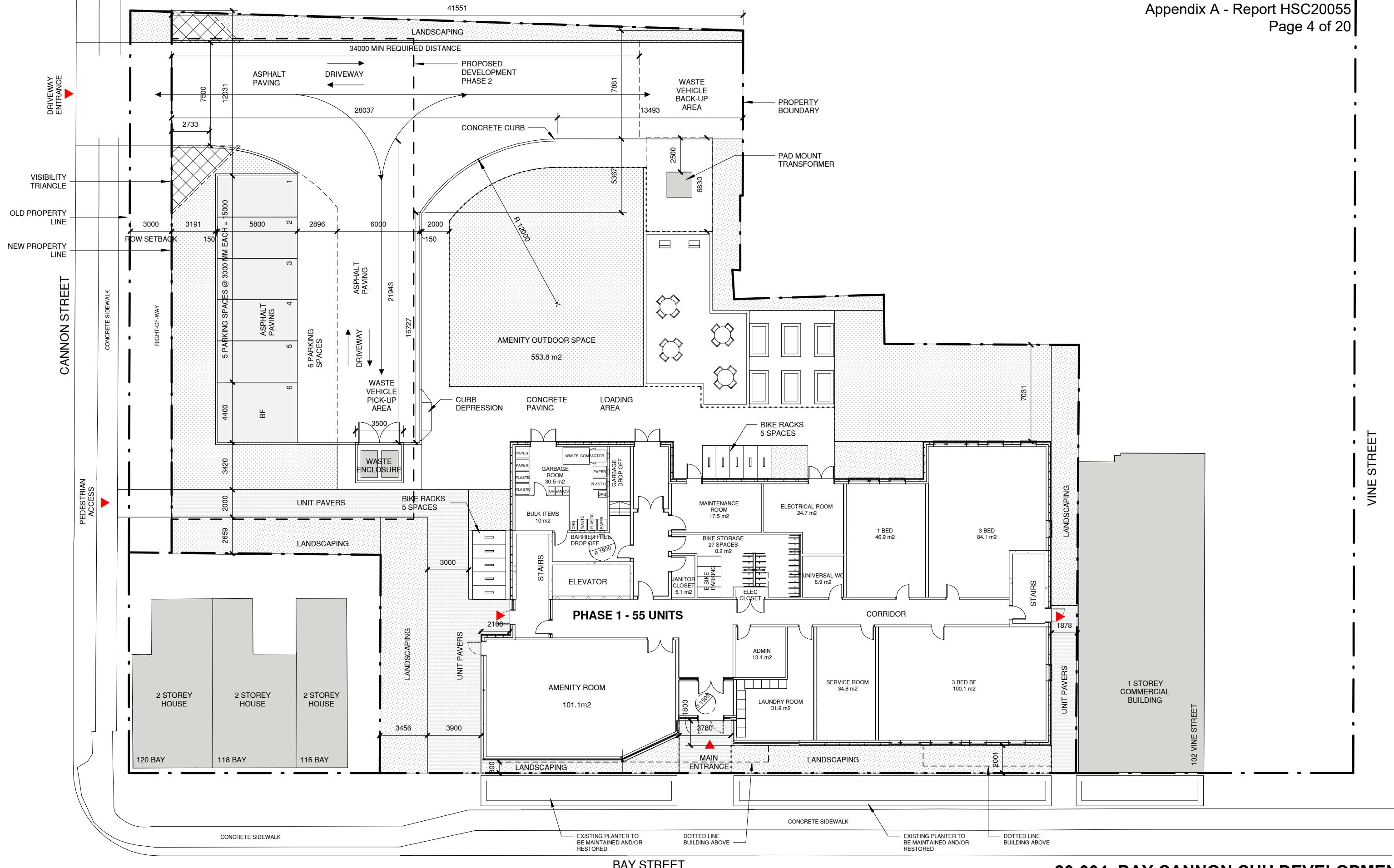
Major increases in construction costs have resulted in market escalation that substantially deviated from the norm, driving project cost increases. To further account for the volatility in the market, the variability inherent in a costing exercise, and future potential escalations, additional contingency and escalation were included which have resulted in an estimated project cost of \$25,097,200. CHH staff recommended and the Board has approved they proceed with Bay-Cannon Phase 1.

Development Summary

Unit Configuration	55 Units (35-1bd, 20-3bd)
RGI Units	45 RGI units transfer from Jamesville
Project Cost	\$25,097,200
Previous Related Reports 	17007, 17021, 17021(b), 17021(c), 18004

Proforma - Project Costs Based on QS and Budget with Escalation

	Bay-Cannon
Project Cost	25,097,200
Per Unit Cost	456,313
Identified Sources of Funds:	
Poverty Reduction Funds	3,500,000
Development Charges	515,388
Block Funding	2,669,700
Transfer from Jamesville	2,100,000
Sold Unit Funds	
Total Funding	8,785,088
Debt:	
Debt required	16,312,112
Maximum Serviceable Debt	6,200,000
Shortfall	- - 10,112,112.
Approved Debt Per Report 17021(b) Appendix A	8,533,000
Max Serviceable Debt (S) Requested Report 17021(c)	0
Potential Funding – Plan A	
Expected CMHC funding (20%)	5,019,440
Jamesville Development Funds	5,092,672
	-



BAY STREET

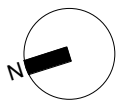
20-004 BAY CANNON CHH DEVELOPMENT

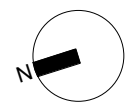
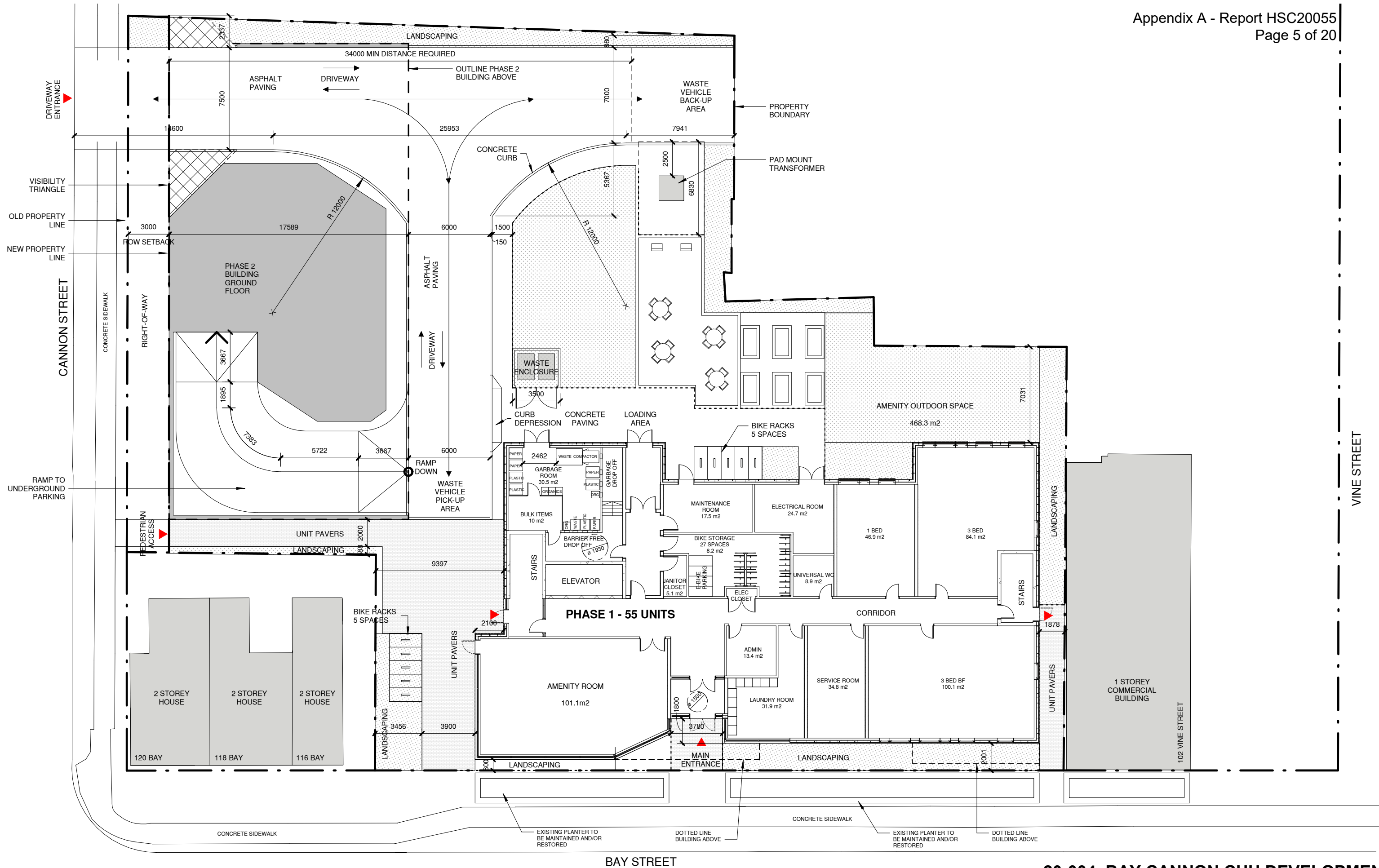
DRP PRESENTATION - SITE PLAN GROUND FLOOR PHASE 1

Scale 1 : 250

OCTOBER 23, 2020

SK-14





Queenston

Overview

CityHousing Hamilton’s (CHH) is pursuing the development of 55 Queenston, which is envisioned as a two-phase project which will contribute to neighbourhood renewal through an integrated mixed-income and mixed-use development.

The first phase of the development will be a 40 unit mid-rise residential apartment complex with 25 1-bed and 15- 3 beds. To ensure low operating and asset renewal costs, along with enhanced tenant comfort, the building will exceed energy standards set out by the building code and include comprehensive accessibility measures built in from the start.

Background

CHH is revitalizing their current portfolio through the sale of single and semi-detached units and reinvesting into better quality and more financially sustainable housing. In July 2017, CHH was approached about the opportunity for purchasing the former City Motor Hotel site at 55 Queenston Rd as an affordable housing development.

With the site’s ideal location for CHH to rebuild sold units due to its excellent transit connectivity, its continuation of social housing in the East End, as well as the fair market value of the land, CHH requested authorization to enter into negotiations with the City of Hamilton to purchase the property in Report 17022. In December 2017, a motion went to GIC regarding the sale of the property.

The project costs were estimated in 2017 as part of Report 17021(b) and reviewed in 2020 as part of CHH development reset study in Report 17021(c). Due to the major increases in construction as well as the volatility in the market due to COVID 19, additional contingency and escalation were included which have resulted in an estimated project cost of \$21,613,546. With this increase in project costs, CHH recommended that they proceed with Bay-Cannon Phase 1 due to their viability and ability to accommodate a second phase on site.

Development Summary

Unit Configuration	40 Units (25 1bd, 15-3bd)
RGI Units	40 Units from Sold Unit
Project Cost	\$21,613,546
Previous Related Reports	17021, 17021(b), 17021(c), 17022, 17040

Proforma - Project Costs Based on QS and Budget with Escalation

	Queenston
Project Cost	21,613,546
Per Unit Cost	540,339
Identified Sources of Funds:	
Poverty Reduction Funds	-
Development Charges	-
Block Funding	-
Transfer from Jamesville	-
Sold Unit Funds	13,090,837
Total Funding	13,090,837
Debt:	
Debt required	8,522,709
Maximum Serviceable Debt	4,200,000
Shortfall	- 4,322,709
Approved Debt Per Report 17021(b) Appendix A	-
Max Serviceable Debt (S) Requested Report 17021(c)	4,200,000
Potential Funding – Plan A	
Expected CMHC funding (20%)	4,322,709
Expected CMHC funding- Jamesville	-

