

Seed Funding for a Housing Organization

1. Background

In October 2023, the Town of Collingwood completed an [Affordable Housing Master Plan](#) (AHMP) to direct the Town's affordable housing efforts. The Town's affordable housing activities focus on households that earn moderate levels of income, between the 4th and 6th income deciles.

For moderate income **homeowners**, that annual household income range is approximately \$74,000 – \$109,000, which translates into an affordable purchase price of \$248,000 - \$366,000 based on a maximum of 30% gross income being directed to housing costs.

For moderate income **renters**, that range is cut nearly in half, with household incomes at approximately \$47,000 – \$68,000, for which an affordable monthly rent is \$1,200 – \$1,700 based on a maximum of 30% gross income being directed to housing costs.

The AHMP identified that the Town is currently short 1,300 affordable rental units and that deficit will nearly double to 2,500 if no action is taken. As such, the AHMP suggests that **affordable rental housing** should be the highest priority of the Town. A Housing Needs Assessment was completed as part of the Master Plan process to provide a foundational assessment of housing needs and affordability challenges. The following are key takeaways:

- There are next to no options in the market for moderate income households in both ownership and rental tenures.
- There is an acute shortage of rental housing in Collingwood, with the purpose-built rental supply declining over the past decade due to insufficient new rental development.
- Rental rates have been rising rapidly, with most options now exceeding \$2,000 per month.
- Renter households are far more likely than owners to be in Core Housing Need (i.e., living in unaffordable, unsuitable, and/or inadequate housing).
- A lack of affordability in the ownership market is driving 'would-be' purchasers to the already constrained rental market.
- To accommodate the forecasted population growth to 2051, more than 10,000 new housing units will be required, in a variety of forms and across the spectrum of price points.

In an effort to address the Town's housing needs and affordability challenges the Council of the Town of Collingwood has committed up to \$25,000 to provide as seed funding for an existing or new non-profit or not-for-profit organization to act as a grass-roots avenue to build and utilize community wealth to influence local investment, local ownership of land and property, and local spending by anchor institutions in the affordable housing space. The Town is seeking to seed a

community organization(s) that has the capacity to develop, own and/or operate affordable rental housing units available for the community.

In June of 2024, the Town released a Request for Expression of Interest to solicit submissions from proposed new or existing community organizations that may be interested in this seed funding and to identify their needs/challenges/preferences, which ultimately assisted the Town and the Affordable Housing Task Force (AHTF) in developing a set of recommended criteria for the seed funding that will set the receiving organization(s) up for success in the context of the objectives set out in the Affordable Housing Master Plan.

The Town and the AHTF have since developed parameters around the seed funding, including criteria for the allocation of the funds, submission requirements, an application and evaluation process outlined in greater detail herein.

2. Purpose and Objectives of the Seed Funding

Council endorsed the Town's AHMP and all 26 recommendations in November 2023. An additional initiative was added by Council, which involves creating a mechanism to capture community wealth and resources to combat the housing crisis, by seeding a non-profit to spearhead initiatives such as developing a community land trust, co-operative or housing cooperative (or similar entity) and engaging in social financing, if applicable. Having an organization that can receive lands or financial benefit from the Town and community, or otherwise, as well as having the capacity to build, own, and/or operate housing units, will create opportunities for the development of affordable housing by and for the community.

3. Application and Review Process

In an effort to respect the time and effort of interested applicants, the Town has opted for a scoped submission and selection process for the allocation of the seed funding. Applicants must complete the attached application form and respond to each question to the best of their ability. There may be questions that applicants do not have the answers to yet, in which case we ask applicants to provide details as to why they may not have the answers at the time of applying and when they may expect have the information being requested in the future. The project terms of reference contained herein will inform the Memorandum of Understanding that will be the basis of the agreement for the allocation of the funds.

Applications will be open for 4 weeks, closing on **October 4, 2024 at 4:30 p.m.** Applications may include supporting documents, including feasibility plans, operating model, proformas or any additional materials that would support your application. Only one application per organization/individual will be considered. One application on behalf of multiple partnering organizations are also acceptable, provided that a lead agency is identified as the receiver of the seed funding.

Applications must be submitted to the Housing Development Coordinator by email at cdesouza@collingwood.ca. Applications will be received and reviewed for completeness by the Housing Development Coordinator. Completed applications which are received by the advertised deadline will be reviewed and evaluated by an Evaluation Committee. Applications will be evaluated on a points-based system, with a maximum total score of 60 points. Applicants must meet a minimum threshold of 30 points to be considered eligible. If no applicants attain the 30 points, the Town reserves the right to consider lower scoring applications or to return to the market. Applications will be scored based on the following criteria:

1. Merit for funding – score out of 20
 - a. Experience in and/or ability to develop, own/lease and/or operate housing
 - b. Intention to offer rental housing affordable to the 4th-6th income decile or less and whether market units would also be proposed
 - c. How housing units would benefit the Town of Collingwood residents and/or the organization's operational area would be limited to Collingwood
 - d. Existing land/building assets or plan to acquire land/building assets

2. Applicant profile that supports housing initiatives – score out of 20
 - a. Status as a non-profit or not-for-profit organization, charitable status to ensure donations (financial or land) would be an asset but is not required
 - b. Status as an existing or new organization
 - c. Local housing knowledge including local issues, gaps, opportunities and challenges, policy/regulatory context and key stakeholders collaborating within the affordable housing space
 - d. Proposed housing model and governance structure (i.e. housing co-op, non-profit or not-for-profit housing corporation, community land trust, sector land trust, combination, or other), planned board membership and qualifications, if applicable
 - e. Existing or proposed partnerships within the community, such as developers or support organizations for tenants

3. Financial plan and need – score out of 20
 - a. Intended use of the seed funding
 - b. Clear business model and/or business case, including first year timeline and budget
 - c. Building on a) and b) Demonstrated ability to be financially sustainable/independent/successful over the long term, including other sources of funding/grants/investments/donations
 - d. Anticipated level of municipal involvement or future operational funding
 - e. Planned resources for day-to-day activities, for example dedicated staff, volunteers, support from an existing organization, etc

In considering applications, the evaluation committee may interview and ask any applicants to make a presentation to the committee. The Evaluation Committee will use the assessment and points as a guide for scoring the applications. The granting of the seed funding is not to be interpreted as a commitment to future year's operational funding. Ineligible or unsuccessful applications for the seed funding will be notified, in writing, of the Evaluation Committee's decision.

Application Timetable

Issue Date of Application	September 6, 2024
Deadline for Applications	October 4, 2024
Anticipated Evaluation of Applications	Week of October 21, 2024
Anticipated Award Offer	Week of November 4, 2024
Anticipated Execution of Memorandum of Understanding	Week of November 18, 2024

4. Payment

The successful applicant will be notified in writing of the seed funding contribution approved by the Town. Funds will be awarded with certain terms and conditions, as outlined in Section 5 below. The letter of award will state if there are any restrictions applying to the seed funding. Payments for approved applications shall be made after an MOU is executed and as soon as is reasonable for the Finance Department to process.

5. Terms and Conditions

1. The recipient shall immediately notify the Town and repay the whole or any part of the contribution, as determined by the Town, if the recipient:
 - a. Ceases operations prior to the delivery of the initiative for which the contribution was provided;
 - b. Ceases to operate as a non-profit or not-for-profit organization prior to the delivery of the initiative for which the contribution was provided;
 - c. Has knowingly provided false information in its application;
 - d. Uses funds for purposes not approved by Council; or
 - e. Breaches any of these terms and conditions or specific terms and conditions or restrictions identified in the MOU related to the contribution.
2. Any unused portion of the contribution remains the property of the Town of Collingwood. If any unused portion of a seed funding has already been paid to the recipient, it shall be repaid by the recipient upon request from the Town.
3. The applicant must complete a final report, documenting the use of the contribution (the report must not exceed five pages) one year after the grant was received, demonstrating how the applicant used the seed funding to achieve the Town's affordable housing objectives.

4. Recipients of grant funding will be provided with and utilize the Town of Collingwood logo where appropriate in promotional materials and media to identify sponsors or funding contributors.

6. Submission Requirements

- i. Completed application form
- ii. Append any additional submission materials as necessary



September 2024

Application for Seed Funding

Planning Services

P.O. Box 157, 97 Hurontario Street
Collingwood, Ontario L9Y 3Z5
705-445-1030 Ext. 3242
cdesouza@collingwood.ca

There may be questions that applicants do not have the answers to yet, in which case we ask applicants to provide details as to why they may not have the answers at the time of applying and when they may expect to have the information being requested in the future. In responding to this application, you may fill in the spaces provided or include all the requested information in a separate consolidated proposal document. We understand that you may be representing an organization that has yet to incorporate and therefore where “organization” is referenced, it is synonymous with “proposed organization”. Questions requiring a response are denoted as “R” and questions that would be an asset are denoted with an “A”.

1. LEGAL NAME AND CONTACT INFORMATION OF ORGANIZATION:

If more than one organization will be partnering, list the name and contact information of the lead organization that will receive the seed funding.

Name: _____

Address: _____

Town: _____ Province: _____ Postal Code: _____

Is your organization new or existing? New/Planned Existing

Are you applying on behalf of multiple organizations as the lead? Yes No

If yes, what other organizations are you collaborating with?

2. ORGANIZATION CONTACT PERSON:



September 2024

For lead organization in the case of partnerships with multiple organizations.

First Name: _____ Last Name: _____

Phone Number (day): _____ Phone Number (evening): _____

Email: _____

3. ORGANIZATION ALTERNATE CONTACT PERSON:

First Name: _____ Last Name: _____

Phone Number (day): _____ Phone Number (evening): _____

Email: _____

4. TYPE OF ORGANIZATION:

- Non-Profit Organization, structure not defined
- Housing Corporation
- Community Land Trust
- Housing Cooperative
- Other _____

Does your organization have or intend to have charity status? Yes No

5. GRANT REQUEST AMOUNT:

Amount of grant requested (\$25,000 or less) \$ _____

6. ORGANIZATION OVERVIEW:

Provide a brief introductory summary of your organization(s)



September 2024

Outline your organizations intended use of the Seed Funding (R)

Highlight your organization's ability to develop, own/lease and/or operate housing, including experience in housing provision and operation (R)



September 2024

Provide any information related to existing land/building assets or your organization's plan to acquire land/building assets (A)

10. SUPPORTING DOCUMENTATION:

Attach a clear business model and/or business case, including first year timeline and budget.

Provide any additional supporting documents that you think would be helpful in the evaluation of your application, such as a feasibility plan, operating model, or proforma on how seed funds would be used, for example.



September 2024

11. ORGANIZATION ATTESTATION:

We, the undersigned, declare that all information provided in and with this statement is factual and correct and that we have authority to sign on behalf of our organization.

_____	_____
Print Name	Print name
_____	_____
Signature	Signature
_____	_____
Title	Title
_____	_____
Date	Date

We, the undersigned, acknowledge that some of the matters contained in this application may also be addressed in an agreement or memorandum of understanding with recipient organization(s) and if the terms are violated, the funds would need to be returned.

_____	_____
Print Name	Print name
_____	_____
Signature	Signature
_____	_____
Title	Title
_____	_____
Date	Date

We, the undersigned, acknowledge that this application does not represent a formal procurement process of the Town.

_____	_____
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September 2024

Print Name

Print name

Signature

Signature

Title

Title

Date

Date

Personal information is collected under the authority of the Municipal Act, 2001 Section 398 (2) for the purposes of selection of applications for grants. Questions about the collection of personal information, use, and disclosure should be directed to the Clerk Services, Town of Collingwood, email: clerk@collingwood.ca or 705-445-1030.