Low-Income Housing and Services Development Proposal

Prepared for: John Hamilton, Mortgage Broker, Dominion Lending

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Executive Summary

Objective

Back to Basics Social Developments is proposing the development of an innovative, self-sufficient housing and services complex in Barrie for low-income families. We take a systems approach to the living environment of our tenants with the goal of reducing their monthly rent, food, electricity, heating and cooling costs; thereby passing on savings without depending on subsidies. The main floor of the building will house as tenants the David Busby Street Centre and the Grocery Assistance Program food bank and community kitchen, both of which are in desperate need of new locations. These organizations provide healthcare, counseling, housing and food services to those in need. In addition, partnerships with the Salvation Army and Youth Haven will benefit the programs and services they offer. upper levels of the building will offer studio, 1, 2 and 3 bedroom apartments for singles and families.

Goals

1. To build a high-quality, low-cost, environmentally friendly, multi-use building including housing with low monthly operating expenses, and thus making rent more affordable for our tenants.

2. To provide sustainable rental space to community groups and services that would improve the social, economic, environmental and health outcomes of low-income families and individuals living in the City of Barrie.

How We Can Make it Happen

Alternative Building Materials

Why use Shipping Containers (ISBUs - Intermodal Steel Building Units)?

ISBU home construction has become one of the biggest residential and commercial trends globally. When looking at the need for low-income housing and a large enough space to house the proposed multi-use facility, ISBUs are a perfect fit. ISBUs are an ideal, low-cost and environmentally friendly solution to the high cost of conventional building practices. There is a vast availability of these shipping containers with literally hundreds of thousands sitting unused in Canada's shipping ports. Once a container is shipped from giant exporting and manufacturing countries such as China, it actually costs more to ship those containers back than to purchase a new one. This leaves an abundance of these unused potential building units here in Canada.

When looking at the scale of the proposed building, cost is undoubtedly a major issue. The need for a low cost, socially responsible and efficient facility is of the utmost importance in this venture. Because of the rectangular shape of a shipping container, little modification is required to produce the finished structure, therefore cutting down on both labour and material costs. The container structure, before any manipulation or reconstruction, already has a floor, supporting walls and a roof. Essentially, the container's pre-existing and efficient design leads to much faster build times, therefore reducing labour costs.

A used 40 ft standard container, with a 320 sq. ft footprint, will run between $2000 and $4000, depending on its condition. Finished ISBU projects show an average cost range of $40-$50 per sq. ft for a complete frame structure. For our project, we anticipate a very realistic build cost of **$100 per sq. ft** for our finished building including extra spray foam insulation, high efficiency windows and doors, radiant in-floor heating with a finished stained concrete slab floor, electrical, plumbing, and efficient light fixtures and appliances for all units. **This figure is at least half of the cost of building using conventional methods.**

The strength and integrity of a large-scale building is of utmost importance when looking at long-term durability. Shipping containers are one of the most, if not the most, strong and durable structures in the world, built to withstand everything from hurricanes to earthquakes. The containers are easily welded to a foundation, thus further strengthening the structure. Shipping containers are modular and each is made to the same standard measurements. This simplifies the design and planning stages of construction. As they are designed to interlock, the ease of mobility during transportation and construction is completed by simply stacking and connecting or welding them together. They have the potential to be stacked up to 12 containers high, providing additional structural supports. The modular design of the containers prove ideal for transport, as that is exactly what they are designed for, either by land, rail or water.

It is possible to build our structure using only recycled steel. There are many completed building around the world for us to learn from and emulate. The inefficient, wasteful and environmentally detrimental effects of current conventional

building practices have lead us to the solution of using ISBUs. By recycling these containers, we cut down on the need for new raw materials to be extracted, refined, transported and then assembled inefficiently.

A popular misconception of those looking at ISBUs for building purposes is that the containers are harsh, cold looking units. While their simplistic and visually 'unappealing' rectangular shape make them an ideal frame building solution, their outsides are easily modifiable to obtain any look. For example, a construction company in a storm ravaged area in the Southern United States has constructed low-cost container homes with the look of the areas traditional stucco homes. Any look can be obtained, from modern stacked building, to traditional Florida stucco bungalows, making the possibilities for ISBUs endless.

There are several global architectural firms and construction companies undertaking the design and building of ISBUs. Our research has led us to the world leader, Tempohousing Global. They offer complete design and building services. One of our options is to have them design the building, modify each container it in their factory in Amsterdam, then ship the containers to us for assembly.

Another option is to have Tempohousing design the building and then hire Secure Store, a container dealer in Barrie, to cut and assemble the containers. The finished containers are then shipped to our building site and assembled using a crane and a welding crew.

Mike Cowden of Cowden-Woods Design Build, a local Barrie builder, has been very helpful in the consultation of this proposal. His company would be able to assist in the preparation of the site including clearing the lot, planning the drainage, sewer and electrical hook ups, pouring the concrete foundation for the containers to sit on, assisting in the assembly of the containers, complete the finishings on the inside and outside of the building including balconies, and managing the pouring of the parking lot.

Contact information:

TEMPOHOUSING Global

Office address:

H.J.E. Wenckebachweg 3010
NL-1096 DP Amsterdam
The Netherlands

Mail address:

P.O. Box 43
NL-1000 AA Amsterdam
The Netherlands
Phone: +31 20 468 33 93
Fax: +31 20 665 51 67
E-mail: info@tempohousing.com
Website: www.tempohousing.com

Video clip at: http://www.youtube.com/watch?v=LxFdaB4PZT8

Secure Store Head Office: 8179 Essa Road, Barrie, Ontario Local: (705) 735-9449 Toll Free: (877) 988-6488
Fax: (705) 739-0502 www.securestore.ca

Cowden-Woods Design Builders Ltd. 249 Saunders Rd. Barrie, Ontario, Canada, L4N 9A3 Phone: 705-721-8422
Fax: 705-721-9342

Energy System

The money saved on the build would be invested in solar hot water and photovoltaic panel systems (to power, heat and cool the building); extra insulation; rooftop water-recovery (to reduce the amount of water purchased from the city); and urban vegetable gardens to allow people to grow their own food.

While being environmentally conscious in terms of construction, we also have to take into consideration the amount of energy used to run the proposed building. The building will be almost entirely self-sufficient and will use the latest techniques and technologies to do so. Energy will be harnessed and used through rooftop solar panels. Not only are solar panels environmentally friendly, they actually generate a significant profit by reselling the energy to the grid through Ontario Hydro's FIT program. Solar energy will also be used for generating hot water to be used in the facility.

Water will be collected using rooftop run-off and by storage in large water cisterns. These methods will ultimately cut down on every source of external energy, and in turn generate a profit by being able to resell the solar energy collected. The environment is undoubtedly the biggest issue facing humanity and this building would be on the forefront of sustainability in its most efficient form.

Food

We also plan to add an urban agriculture component that will be supported by our clients and community volunteers. There will be a space for a local food market to service the community, with a large community kitchen to create value-added products and to teach culinary skills with an emphasis on whole, organic foods. Again, all the profits would go back in to purchasing or growing more food for all. There is a potential for job creation here.

Rooftop Gardens

Community Kitchen

Tenants-Partnerships

The Grocery Assistance Program

Through the Elizabeth Fry Society, the Grocery Assistance program provides assistance with food supplies to those in need.
As tenants and recipients of the vegetables that we are growing, they will dispense the food to those in need as well as promote our educational outreach and volunteer opportunities.

David Busby Street Centre

Driven by a philosophy of empowerment, The David Busby Street Centre works from a non judgmental approach to advocate for and improve conditions for individuals and families within Simcoe County who are homeless or at risk of homelessness. The people they serve are:

- Marginalized & vulnerable citizens of Barrie & Simcoe County
- People suffering from brain injury, terminal illness, mental health issues & addictions
- Citizens who are homeless or at risk of homelessness
- Low income families
- Working poor

- Young couples with children and seniors struggling financially
- Residents who are socially isolated or in distress

As tenants, they will work closely to try and include their participants in the project with transportation to and from the garden as well as promote our educational outreach and volunteer opportunities.

Youth Haven Barrie

Youth Haven is a crisis care facility offering emergency overnight shelter, food and clothing. A Christian, nonprofit, registered charitable organization governed by an interdenominational Board of Directors. May provide: 1) Short Term Stay or emergency shelter. A continued stay is dependent on a plan conceived and a decision to work at it. 2) Long Term Stay (normally one month) which includes carrying out a plan of continuing education, work, or job finding; the length of stay will be determined by person's need and rate of progress. Young people are encouraged to develop life skills which involve proper dress, hygiene, cooking and budgeting. Spiritual input can be an important part of the values communication process.

As partners, they will work closely to try and include their participants in the project with transportation to and from the garden as well as promote our educational outreach and volunteer opportunities.

The Salvation Army

The Salvation Army provides emergency overnight shelter for men and can accommodate up to 20 men. Their soup kitchen provides daily lunch and dinner services. The transitional housing rooms are available for rent to individuals for three to six months, allowing them to have an address to get settled while they head into the job market.

As recipients of the vegetables that we are growing they will use these items in their meal program as well as promote our educational outreach and volunteer opportunities.

Grants and Subsidies

Subsidies we are pursuing:

City of Barrie - a low-interest loan; to waive development charges and realty taxes for 20 years.

Rent Supplement - Private Landlord Program for a percentage of our units.

Ontario Ministry of Health - rent supports for a percentage of our units.

Natural Resources Canada - Commercial Building Incentive Program funding

Canadian Mortgage and Housing Corporation - waiving of mortgage loan insurance premium

Federal and Provincial - Affordable Rental Housing Initiative funding

Budget

Build Costs with Traditional Materials

Mike Cowden from Cowden-Woods Design Builders Inc. was consulted for these figures. Figures are based on a 1 acre lot with a 3-story building where each floor is 10,000 sq. ft.

Description	Quantity	Unit Price	Cost
Low end building costs per square foot using traditional steel frame and wood construction. Includes electrical, plumbing, and all fixtures.	30000	$150.00	$4,500,000.00
City of Barrie Development Charges	30000	$13.00	$390,000.00
Architect/Engineered Plans, 5% of build	0	$0.00	$225,000.00
Property purchase, 1 acre, downtown	0	$0.00	$600,000.00
Site costs including parking lot, curbs, drainage and landscaping	0	$0.00	$200,000.00
Solar panels and water system	0	$0.00	$250,000.00
		Total	**$6,165,000.00**

Build Costs using Containers and the Back to Basics Team

These build costs are completely scaleable depending on our available financing. For example, we may chose to build two floors in the beginning with 15 units of housing, at a savings of $1 million.

Description	Quantity	Unit Price	Cost
Generous cost per square foot using a container structure. Prices we researched showed the container building shell assembled for $45 per sq. ft. For $100 per sq. ft we could complete the building with all electrical, plumbing, high efficiency fixtures, music room, the community kitchen and walk in fridge and freezer. Back to Basics will write funding proposals to seek out discounts and donations for equipment, furniture, appliances and fixtures.	30000	$100.00	$3,000,000.00

Description	Quantity	Unit Price	Cost
City of Barrie Development Charges waived. Back to Basics is confident that we could make a case for the city to waive the development charges as their contribution to the project. With the support of our partners and the public, we are confident we would be successful in achieving this. We would also work to lower the yearly property taxes charged.	30000	$0.00	$0.00
Architect/Engineered Plans, 5% of build (we may be able to get a reduced rate because of the goodwill of this project).			$150,000.00
Property purchase, 1 acre, downtown, reduced by $50,000. We are confident that we could negotiate a lower price because of the greater good of this project and the partners involved.			$550,000.00
Site costs including parking lot, curbs, drainage and landscaping reduced by $50,000. Back to Basics has the tools and the volunteer labour to take care of the landscaping of the property. All available space will be devoted to vegetable gardens that we will create with donated materials.			$150,000.00
Solar panels and water system reduced by at least $50,000. Back to Basics will search for subsidies and grants to help with the purchase of this equipment. We will also assist in the installation of the solar panels with the students of Georgian College's Environmental Studies program. We will create a public showroom in the building to showcase these innovative energy and heating systems which may also allow for further discounts on the panels.			$200,000.00
Consultant fee to hire the 4-person Back to Basics Social Developments' team to apply for and manage the subsidies with Social Housing Services Corporation and CMHC, writing of grants and request for funding proposals, media and community liaison, and volunteer coordination for one year.			$195,000.00
		Total	**$4,245,000.00**

Revenues - Yearly

All rents include utilities and are far below market rates. This can be financially sustainable because of the reduced build costs and operating costs. This passes on much needed savings to our tenants without relying on subsidies.

Description	Quantity	Unit Price	Revenue
David Busby Street Centre rental income for 5000 sq. ft	5000	$9.50	$47,500.00
Grocery Assistance Food Bank rental income for 2500 sq. ft	2500	$9.50	$23,750.00
Community kitchen, music room, cafe and local food store. Back to Basics will manage this space and is requesting that it be made available at no charge as part of the the compensation for assembling this project.	2500	$0.00	$0.00
Studio Rent $400 per month	4	$4,800.00	$19,200.00
1-Bedroom Rent $500 per month	10	$6,000.00	$60,000.00
2-Bedroom Rent $750 per month	10	$9,000.00	$90,000.00
3-Bedroom Rent $1100 per month	6	$13,200.00	$79,200.00
Vacancy and bad debt estimate (@5% of housing income)			-$12,420.00
Feed in Tariff revenue from 40.48 kw Solar Panel array at 71.3 cents per kwh			$32,530.00
		Effective Gross Income (EGI)	$339,760.00

*I have not included subsidies in the revenues category as they will be considered mortgage re-payment assistance. There are some programs available that will guarantee to rent a certain number of rooms on an on-going basis. There are some low-income housing subsidies that may pay a certain price per RGI (rent-geared to income) unit. It appears that there is strong potential for thousands of dollars of assistance per month from a combination of sources. This is what the Back to Basics team will focus on setting up. See the Grants and Subsidies section above for more information.

Expenses - Yearly Operating Costs

Description	Quantity	Unit Price	Expense
Property Tax - Waived for 20-years by City of Barrie.	0	$0.00	$0.00
Electricity - 50000 kwh at 11 cents per kwh (low but realistic when using high efficiency appliances, light fixtures and an evacuated tube solar hot water system backing up electric water tanks for radiant in-floor heating and hot water usage).	50000	$0.11	$5,500.00
Water - 0.1 cubic meters per person per day x 60 people x 365 days = 2190 per year at $0.7456 = $1632.86 for Water and 2190 x $0.7899 = $1729.88 for Sewer (Low estimate but realistic when you factor in the rooftop water collection system, water cisterns, low flow toilets, faucets and shower heads, and grey-water recovery system for supplementing the City water.			$3,363.00
Maintenance (By building with the most durable materials available and using high quality fixtures, we can reduce maintenance costs)	0	$0.00	$10,000.00
Replacement Reserves - Annual Allocation 5% of EGI			$16,988.00
Food Accessibility Fund - 5% of EGI to go to Back to Basics' food growing initiative to help lower the cost of local food and allow food to be donated to the Grocery Assistance Program			$16,988.00
Surplus to ensure operating costs have a budget of 25% of EGI (By using these energy efficient technologies, I believe we can bring the operating cost below 25% of EGI. This is significant considering the industry standard is 45% of EGI)			$32,101.00
		Total	$84,940.00

Investment

Total Build Cost

$4,245,000

25% Downpayment for financing

$1,061,250

Mortgage

For a 35 year mortgage for $3,183,750 at the rate of 4.04%, our

Monthly payment	$14,109
Yearly payment	$169,309

Net Operating Income Calculation

Effective Gross Income (EGI)	$339,760
Operating costs @ 25% of EGI	$(84,940)
Net Operating Income (NOI)	$254,820

Debt Coverage Ratio (DCR)

NOI	$254,820
Mortgage payment	$169,309
DCR (203,520/169,309)	1.5

Return on Investment (ROI)

Downpayment	$1,061,250
NOI - Mortgage payment	$85,511
ROI	8% interest per year without subsidies

The ROI will be considerably higher once subsidies are utilized. The market value of the building, when complete, may also be much higher than the mortgage amount due to our reduced costs of construction. This could make for a considerable increase in the equity of the building.

We would like to involve investors who believe in the vision of this project and who would be content with a 5% return on their investment. This would allow extra money to be able to flow into the food programs and provide more employment and more acreage of urban gardens.

Andrew Miller's Profile

To pursue projects that focus on the common issues that unite us all: Food, water, shelter and education.

Experience

Founder, Executive Director, Back to Basics Social Developments; Barrie, ON - 2008-Present

During the past two seasons, we have grown and given away more than 20,000 pounds of organic vegetables to food banks and shelters with the help of one full-time employee and over 120 volunteers. We provide education on organic farming issues and techniques as well as local and global poverty issues. We started Barrie's first Biodiesel Cooperative distributing over 4000 L of Biodiesel in our first year. In collaboration with the Elizabeth Fry Society of Simcoe County, we were awarded a grant form the Ontario Trillium Foundation in the amount of $125,000 over two years.

Founder, Miller Property Management; Barrie, ON - 2001-2006

Owned and managed $900,000 worth of real estate generating $85,000 in rental income per year. Maintained and rented two single family homes and two rooming houses. Sold all assets successfully and profitably in 2006.

Founder, Executive Director, Camp Q Adventures Ltd.; Barrie, ON - 2001-2006

Owned and operated an off-road tour business managing vehicle and equipment assets totaling $150,000 and generating $130,000 per year in sales. Managing three part-time drivers. Sold business successfully and profitably in 2006.

Skills

I pride myself in bringing people together and sharing resources. I am strong at forging partnerships between different groups and organizations; trying to bridge the gaps. I have been told that I am an effective and inspiring leader. I am an experienced project manager with many successes.

Referrals

MIke Cowden, President, Cowden-Woods Design Builders Ltd. 249 Saunders Rd. Barrie, Ontario, Canada, L4N 9A3 Phone: 705-721-8422 Fax: 705-721-9342

Paula King, Executive Director, The Elizabeth Fry Society of Simcoe County 102 Maple Ave Barrie, ON Barrie, ON L4N 1S4 705-725-0613 ext 224

Sara Peddle, Executive Director, The David Busby Street Centre, 24 Collier Street, P.O. Box 641 Barrie, Ontario, L4M 1G6 705-739-6916

Dana Fisher B.A. (Hons) MSW/ RSW, CYT

Barrie, ON
dana_fisher@bellnet.ca
705-735-1393

Summary of Qualifications

- Current registration in good standing with OCSWSSW and OASW
- Covered under professional liability insurance for 1,000,000 (AON)
- Over 13 years experience providing counselling, education, and community social work
- Accurate discerner and consultant of policy, organization and (co-operative) community development
- Executive and empathic communication skills, e.g. interpersonal, groups, report writing, public speaking
- Experienced counsellor, educator, group facilitator and interdisciplinary team member
- Advocate dedicated to the client-centered approach and anti-oppressive practice
- Critical, creative thinker with a demonstrated ability to resolve complex problems and crisis
- Passionate health & wellness advocate, practitioner, educator, and progressive reformist
- 100% ethically responsible for client rights and confidentiality
- Highly adaptable, flexible, and multidimensional generalist
- Committed to lifelong learning, evidence based practices, and analytical research

Experience

Certified Yoga Teacher (CYT) & Mind-Body Therapist (MSW/RSW), & Consultant, K*alariDeva Yoga,* 2005-2010

- Self-employed Yoga Teacher & Therapist for: The City of Hamilton, Skydragon Centre, Ministry of the Environment, Staircase Theatre, Corporate Yoga, Yoga for Social Services, & Private Practice
- Therapy modalities include: CBT, Bowen therapy, IET, EFT, Reiki, Axitonal Alignment, Raw Organic Detoxification, Pre & Post Natal Yoga, Yoga therapy, Meditation, Stress Reduction, Lifestyle Modification
- Currently in private practice with a focus on mind-body medicine and neuro-reprogramming

Mental Health Counsellor, *Hamilton Urban Core Community Health Center*, 2007-2008

- Clear ability to recognize and respond appropriately to the complex needs of extremely marginalized, diverse populations
- Individual counselling and group therapy for personality and mood disorders, abuse, anxiety, depression, sexual abuse, addictions, grief, anger, relationship problems, acquired brain injury (ABI), chronic illness, pain, disability, cancer, homelessness, poverty, caregiver stress, and more.
- Confident public speaker, motivator, group facilitator, and community liaison
- Coalition board adviser for *Hamilton Perinatal Mental Health*, Public Health Initiative

Professor of Humanities & Social Sciences, *Mohawk College*, 2005-2006

- Courses developed, revised and instructed: (1.) Psychology 101; (2.) Current Affairs; (3.) Ethics and; (4.) Coping with Stress
- Accurate, organized and timely assessment of students academic achievement
- Cultivated a motivating, positive and supportive learning environment for students

Co-operative Community Co-ordinator and Developer, Skydragon Centre, 2005-2007

- Planning, building, supervising, and development of grassroots worker co-operative in Hamilton, ON
- Multi-task role of member participation included but was not limited to: Supervision of College and University Students, Teacher, Program Planner, Fundraising, Event Planner and Municipal Liaison

Legal Social Worker, (Practicum), *Justice for Children and Youth/The Canadian Foundation for Children*, 2003

- Contributor of policy recommendations for youth custody in Ontario: *Meffe Inquest*
- Intake, referral, case assessment, youth advocate, and outreach representative for a national legal aid clinic for children and youth

Youth Social Worker, (Practicum), *St. Stephen's Community House*, Youth Services, 2002

- Counsellor for 'at-risk-youth,' outreach facilitator for healthy sexuality,& program developer for "The Arcade"
- Report researcher and author: *Anger Management Services for Youth in Toronto*

Developmental Delay Worker, *Family Services Toronto*, 1999-2001

- Community support provider and advocate for young persons and their families living with pervasive developmental delay and speech language pathologies

Casting Assistant, *Eric Yule Casting*, Toronto, 1999 -2003

- Provided administration, organization and reception for film and television casting calls

ABI Communication Facilitator, *York Durham Aphasia Center*, 1997-1998

- Program developer, community outreach, and communication facilitator for persons with neurologically based speech disorders and acquired brain injury (ABI)
- Coordination of fundraising events, in-home client assessment, and volunteer coordination

ABI children's Group Counsellor, *York University Thesis (Grade = A+)*, 1997-2000

- Facilitated grief counselling group for young people with ABI parent ages 5-16
- Author of: *An experience of experiencing: Reflections on the child self on having a father with an Acquired Brain Injury*

Education

Masters in Social Work	*Policy, Organization, and Community*	University of Toronto,	2005
Bachelors of Arts with Honours	*Psychology& Humanities*	York University,	2000

Professional Development

- Bowen Therapy, Levels 1 & 2, Newmarket ON, Oct-Nov 2009
- Integrated Energy Therapy (IET), Levels 1 & 2, Newmarket ON, May 2009
- Yoga Inbound Teacher Training, Lima/Cusco Peru, 2009
- Emotional Freedom Technique (EFT), Levels 1 & 2, 2006-2008
- Pre & Post Natal Yoga Certification, 2006
- Teaching Yoga to Children, YogaBuds, 2006
- Yoga Teacher Certification (CYT), Balanced Life Yoga, 2005
- Train the Trainer (HIV, AIDS, Street Drugs), Toronto Public Health, 2002-2003
- Mediation, St Stephens House, 2002
- Harm Reduction, TPH, 2002
- American Sign Language

References Available Upon Request