

Directed to: Mayor Joe Preston and Members of City Council

Meeting Date:
October 6, 2025

Department: St. Thomas Elgin Social Services

Authored By: Brandon Sloan, HAF Coordinator

Attachment
A - Contribution Agreement

Subject: Contribution Agreement for Indwell Balaclava Affordable and Supportive Housing

Recommendation:

THAT: Report SESS-24-25 relating to Contribution Agreement for Indwell Balaclava Affordable and Supportive Housing be received for information; and further,

THAT: A bylaw be prepared authorizing the Mayor and Clerk to execute the Municipal Contribution Agreement attached to report SESS-24-25, which outlines the obligations of Indwell and the City of St. Thomas as it relates to the HAF contribution of \$1,950,000 towards the creation of 78 affordable housing dwelling units with on-site supportive services.

Background:

For over 50 years, Indwell has been providing supportive affordable housing in various communities across Southern Ontario. In recent years, and as part of the community's goal of reaching Functional Zero on homelessness, the City of St. Thomas partnered with Indwell to deliver affordable supportive housing matched to the level of need including Railway City Lofts and The Station. As part of this partnership and the community's work towards achieving Functional Zero, the former Balaclava School will be home to Indwell's third supportive housing project in St. Thomas.

The adaptive re-use of this heritage designated site includes renovating the existing building for 36 units, along with the construction of an attached new building for an additional 42 units for a total of 78 new supportive affordable housing units.



Figure 1 - Balaclava Site

Since the spring of 2025, the City and Indwell have reached several milestones for this project including:

- declaring the property as surplus on March 3, 2025 (Report PRF-10-25).
- conveying the land to Indwell in order to transform the site into supportive affordable housing.

- convening a neighborhood open house on March 31, 2025
- receiving a Planning Report about the redevelopment of the property on April 22, 2025 (Report PD-18-25).
- holding a public meeting on May 20, 2025.
- considering the rezoning of the property in June.
- hosting an on-site open house event to share information with surrounding neighbours and key stakeholders in August.

Clean up and site preparation work of the property has already begun. The site plan agreement is in progress and building permit approvals for the construction of the new units are targeted for this Fall. It is expected that it will take approximately 18-24 months for occupancy.



Figure 2 - Balaclava Adaptive Re-use and Development (Rendering)

The attached Contribution Agreement outlines the requirements between the City of St. Thomas and Indwell for the development and delivery of supportive affordable housing through various milestones.

This project directly supports and helps implement the St. Thomas Elgin Long-Term Affordable Housing Strategy, the Housing and Homelessness 10-year Plan, the Housing Needs Assessment and Action Plan and the Housing Accelerator Fund Action Plan. Moreover, it will deliver needed supportive affordable housing units through the adaptive reuse of a significant cultural heritage resource for future generations to come. The redevelopment of the former Balaclava School is part of the City's broader strategies to address housing instability and ensure that all residents have access to the resources needed for stability and well-being.

Strategic Priority:

Strategic Pillar: Excellence in All We Do - Priority #5: Housing for Everyone

Financial Impact:

The financial contribution for this project is via the federal Housing Accelerator Fund that is directed at specific affordable housing initiatives to help achieve our St. Thomas Action Plan targets and commitments. Subject to certain milestones and stipulations, \$1.2M would be provided in 2025 and \$750,000 in 2026 from the HAF grant. There is no financial impact to the City of St. Thomas.

Report Approval:

This report has been reviewed and approved by: Manager, Housing Stability Services, Director of Social Services, Director of Corporate Services/Treasurer.

All reports are reviewed and approved by the City Manager.