

Bill No. 397
2013

By-law No. A.-_____

A by-law to approve an amended agreement between The Corporation of the City of London (the City) and the Riverside Property Corp. (the Proponent) for the purpose of establishing the City of London Affordable Housing Program and the City's obligation to provide funding to the Proponent; and to authorize the Mayor and the City Clerk to execute the agreement.

WHEREAS section 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 8 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS The Corporation of the City of London (the City) is responsible for the delivery and administration of affordable housing initiatives including affordable rental housing programs, convert-to-rent programs and other initiatives;

AND WHEREAS Riverside Property Corp. has responded to the procurement process initiated by the City to undertake development activities in return for funding;

AND WHEREAS it is deemed expedient for the City to enter into an agreement with Riverside Property Corp. for the purpose of establishing the Proponent's obligations with respect to the City of London Affordable Housing Program and the City's obligation to provide funding to Riverside Property Corp.;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. An amended agreement between the City and Riverside Property Corp. for the purpose of establishing Riverside Property Corp. obligations with respect to the City of London Affordable Housing Program and the City's obligation to provide funding to Riverside Property Corp. is hereby approved.

2. The Mayor and the City Clerk be hereby authorized to execute the agreement approved in section 1, above, substantially in the form of agreement attached to this by-law and to the satisfaction of the City Solicitor.

3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on September 17th, 2013.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading – September 17, 2013
Second reading – September 17, 2013
Third reading – September 17, 2013

**AMENDMENT
TO
MUNICIPAL CONTRIBUTION AGREEMENT
Investment in Affordable Housing
Rental Housing Component
Funding Delivery**

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON

(hereinafter called the "City")

- and -

RIVERSIDE PROPERTY CORP.

(hereinafter called the "Proponent")

This Agreement made the ____ day of October, 2013.

WHEREAS:

- A. The City and the Proponent entered into an agreement on December 31, 2012 wherein the Proponent agreed to construct 27 apartments in the City of London (the "Project").
- B. Section 2.3 of the Agreement states the loan as follows: \$836,082 Federal Funds; \$783,918 Provincial Funds and \$1,510,000 City Funds pursuant to the total amount of such loan being \$3,130,000 as also described in Schedule "M".

NOW THEREFORE, in consideration of the mutual covenants herein and other valuable consideration, the City and the Proponent agree as follows:

- 1. That the City shall provide an additional \$55,000 to the Proponent as a loan to provide one additional affordable housing unit for the Project.
- 2. The Proponent agrees to rent the additional unit at \$572 per month including heat, water and parking.
- 3. The Proponent agrees that the rent for the additional unit will not exceed 80% CMHC AMR for duration of the affordability period.
- 4. That Section 2.3 of the Agreement shall be amended to state the loan will be revised as follows: \$836,082 Federal Funds; \$783,918 Provincial Funds and \$1,565,000 City Funds pursuant to the total amount of such loan being \$3,185,000.
- 6. That the additional \$55,000 shall be secured by a charge/mortgage registered on title by the Proponent to the satisfaction of the City prior to any advance of the additional funding.
- 7. All other Terms and Conditions in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF this Agreement has been executed by the **Parties**.

THE CORPORATION OF THE CITY OF LONDON

Joe Fontana
Mayor

Catharine Saunders
City Clerk

RIVERSIDE PROPERTY CORP.

Ray Stanton
President

Tim Schnurr
Secretary-Treasurer

I/We have the authority to bind the Corporation.