

TO:	CHAIR AND MEMBERS COMMUNITY & NEIGHBOURHOODS COMMITTEE MEETING ON AUGUST 16, 2011
FROM:	L. STEVENS DIRECTOR OF MUNICIPAL HOUSING
SUBJECT:	CONVERT-TO-RENT/REHABILITATION AGREEMENT 262 CLARENCE STREET

RECOMMENDATION

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Executive Director of Community Services, the following actions **BE TAKEN** with regard to the Convert-to-Rent/Rehabilitation project at 262 Clarence Street in London, which was approved by Municipal Council on March 8, 2010:

- i) in accordance with Municipal Housing Facilities By-Law No A.-5814-11, the attached proposed by-law **BE INTRODUCED** at the Municipal Council on August 29, 2011, to authorize a Municipal Contribution Agreement substantially in the form of an agreement appended to the by-law and to the satisfaction of the City Solicitor; and,
- ii) the Mayor and the City Clerk **BE AUTHORIZED** to execute the said Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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COUNCIL HOUSING LEADERSHIP COMMITTEE

February 9, 2010 – Convert-to-Rent/ Rehabilitation Program at 262 Clarence Street

BACKGROUND

The Convert-To-Rent/Rehabilitation (CTR/Rehab) Assistance Program includes rehabilitation of existing rental units and special needs modifications. The rents for units approved under the CTR/Rehab Program are set at 80% of the Canada Mortgage & Housing Corporation (CMHC) Average Market Rents established annually in October. The City of London funding under the CTR/Rehab Program is a maximum of \$24,000 per unit.

Municipal Contribution Agreement

As part of the City of London commitment to the Canada-Ontario Community Rental Housing Program, on May 20, 2003, Municipal Council approved a Municipal Housing Facilities By-Law and resolved that project specific agreements under the Municipal Housing Facilities By-Law be prepared for approval by Municipal Council.

Municipal Housing Facilities By-Law No. A.-5814-11 outlines the required contents of the contribution agreement with affordable housing proponents. The Convert-To-Rent Municipal Contribution Agreement (MCA) with successful proponents must be registered on title.

New Agreement Required

A proposal from Vernon Martin for the property at 262 Clarence Street, under the Convert-to-Rent/Rehabilitation Program, was approved by Council on March 8, 2010 and a Municipal Contribution Agreement was entered into with Vernon Martin for the property at 262 Clarence Street for a total of \$60,000.

Recently, Vernon Martin sold 50% of the ownership of this property to his father, Mr. George Martin. A new Municipal Contribution Agreement has been created to reflect this new partnership.

FINANCIAL IMPACT

The costs with respect to discharging the original MCA and the registration of the new MCA on title will be borne by the proponent.

PREPARED BY:	CONCURRED BY:
LOUISE STEVENS DIRECTOR OF MUNICIPAL HOUSING	ROSS L. FAIR EXECUTIVE DIRECTOR OF COMMUNITY SERVICES

- cc. N. Watson, Housing Development Consultant
- J. Binder, District Manager, Canada Mortgage and Housing Corporation
- D. Munteer, Solicitor

By-law No.

A by-law to approve an agreement between The Corporation of the City of London (the City) and Vernon Martin and George Martin (the Proponent) for the purpose of establishing the Proponent's obligations under the Convert-to-Rent/Rehabilitation 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 the Proponent 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 the Proponent for the purpose of establishing the Proponent's obligations with respect to the Convert-to-Rent/Rehabilitation Program and the City's obligation to provide funding to the Proponent;

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

1. An agreement between the City and the Proponent for the purpose of establishing the Proponent's obligations with respect to the Convert-to-Rent/Rehabilitation Program and the City's obligation to provide funding to the Proponent be 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 _____, 2011.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading –