

Bill No. 83
2015

By-law No. A.-_____

A by-law to approve an amendment agreement between The Corporation of the City of London (the City) and 8999872 Canada Ltd (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 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 amendment agreement with the Proponent 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 the Proponent;

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

1. An amendment agreement between the City and the Proponent 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 the Proponent be hereby approved.
2. The Mayor and the City Clerk be hereby authorized to execute the amendment agreement approved in section 1, above, substantially in the form of agreement attached as Schedule "1" 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 February 24, 2015.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – February 24, 2015
Second Reading – February 24, 2015
Third Reading - February 24, 2015

Schedule "1"

**AMENDMENT
TO
MUNICIPAL CONTRIBUTION AGREEMENT**

**Investment in Affordable Housing for Ontario (2014 Extension)
Rental Housing Component**

This Agreement made the day of ____ March, 2015

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON

(hereinafter called the "City")

- and -

8999872 CANADA LTD.

(hereinafter called the "Proponent")

WHEREAS:

- A. The City and the Proponent entered into an agreement on the 24th day of December, 2014 wherein the Proponent agreed to construct 30 Affordable Rental Housing units in the City of London (the "Project").
- B. Section 2.3 of the Agreement states: The City agrees to provide to the Proponent as a Loan, upon the terms and subject to the conditions set out in this Agreement, the amount of one million, six hundred, seventy-eight thousand, one hundred dollars [(\$1,678,100) *Federal Funds*] and one million, one hundred twenty thousand, nine hundred dollars [(\$1,120,900) *City Funds*] as described in Schedule "M", to be applied by the Proponent only towards the payment of Development Activities for Affordable Housing. Pursuant to the Proposal, the total amount of such loan being two million, seven hundred, and ninety-nine thousand dollars (\$2,799,000).

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

1. That the number of Affordable Rental Housing units be increased by 3 for a total of 33 units;
2. That Section 2.1 be amended to revise the amount of Proponent equity to \$591,043.
3. That Section 2.3 of the Agreement and Schedule 'M' shall be amended to state the loan will be revised as follows: the amount of two million, two hundred eighty-eight thousand, one hundred dollars (\$2,288,100) *Federal Funds* and the amount of eight hundred forty thousand, nine hundred dollars (\$840,900) *City Funds*. Pursuant to the Proposal, the total amount of such loan being three million, one hundred, and twenty-nine thousand dollars (\$3,129,000).

4. That the Federal and City funding 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 funding.
5. 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

Matt Brown
Mayor

Catharine Saunders
City Clerk

8999872 CANADA LTD.

Marvin Rivas
President

I/We have the authority to bind the Corporation.