

1ST REPORT OF THE
COUNCIL HOUSING LEADERSHIP COMMITTEE

Meeting held on February 14, 2011, commencing at 12:27 p.m.

PRESENT: Councillor J. Swan (Chair), Mayor J. Fontana, Councillors D. Brown, H. L. Usher and J. Martin (Secretary).

ALSO PRESENT: J. Binder, R. Fair, M. Gascon, S. Giustizia, M. Hardy-Trevenna, D. Peckham, B. Sexsmith, L. Stevens and N. Watson.

REGRETS: Councillors J. L. Baechler and M. Brown.

I YOUR COMMITTEE RECOMMENDS:

2011 Allocation to
Habitat for
Humanity

1. (4) That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Executive Director of Community Services:

a) Habitat for Humanity London Inc. **BE ALLOCATED** a grant for their 2011 builds, under the City of London Housing Partnership Policy, as follows:

- i) \$24,000 for the housing unit at 1189 Huron Street; and,
- ii) \$1,117 for the housing unit at 578 Highbury Avenue, for a total municipal allocation of \$25,117; and,

b) the attached Sources of Financing Report **BE APPROVED**;

it being noted that the Council Housing Leadership Committee (CHLC) reviewed and received the attached report, dated February 14, 2012, from the Director of Municipal Housing, with respect to this matter;

it being further noted that the CHLC asked that J. Duncan, Chief Executive Officer, Habitat for Humanity, be invited to a future meeting of the CHLC to provide an update on the Habitat for Humanity London Strategic Objectives Plan.

Convert-to-
Rent/Rehabilitation
Program Proposal
for 392 Richmond
Street

2. (5) 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 respect to the Convert-to-Rent/Rehabilitation Program:

a) Vernon Martin and Adam Woodhouse **BE APPROVED** to receive a municipal allocation of \$22,667, per unit, for seven (7) affordable housing units at 392 Richmond Street; and,

b) the attached Sources of Financing **BE APPROVED**; and,

c) in accordance with Municipal Housing Facilities By-Law No A.-5814-11, the attached by-law, **BE INTRODUCED** at the Municipal Council meeting to be held on March 20, 2012 to approve the Municipal Contribution Agreement pertaining to the above-noted proposal, substantially in the form of an agreement appended to the aforementioned by-law and to the satisfaction of the City Solicitor, and to authorize the Mayor and the City Clerk to execute the said Agreement;

it being noted that the Council Housing Leadership Committee (CHLC) reviewed and received the attached report dated February 14, 2012 from the Director of Municipal Housing, with respect to this matter.

Private Member's
Bill

3. (7) That the following actions be taken with respect to the proposed attached Private Member's Bill to ensure safe, secure, accessible and affordable housing for all Canadians:

- a) the Mayor **BE REQUESTED** to send a letter to Marie-Claude Morin, Députée MP Saint-Hyacinthe-Bagot, acknowledging the City's support for the proposed Bill; and,
- b) the City of London's support of this Bill **BE EXPRESSED** to the Federation of Canadian Municipalities, through its membership.

II YOUR COMMITTEE REPORTS:

Community
Housing Strategy

4. (6) That the Council Housing Leadership Committee (CHLC) heard a verbal update from L. Stevens, Director, Municipal Housing, with respect to the Community Housing Strategy, it being noted that L. Stevens will provide an update on the decline of annual federal spending for social housing at a future meeting of the CHLC.

5. That the Council Housing Leadership Committee (CHLC) noted and filed the following:

4th Report of the
CHLC

a) (1) the 4th Report of the Council Housing Leadership Committee from its meeting held on October 28, 2011;

Review of Advisory
Committees

b) (2) a Municipal Council resolution adopted at its meeting held on November 7, 2011 with respect to the advisory committee review;

Revisions to the
City of London
Governance
Structure

c) (3) a Municipal Council resolution adopted at its meeting held on November 21, 2011 with respect to revisions to the City of London governance structure;

FCM Housing
Report Launch

d) (8) a communication dated February 1, 2012, from Councillor H. Usher, with respect to the Federation of Canadian Municipalities report on rental housing entitled "The Housing Market and Canada's Economic Recovery"; and,

LSTAR – Funspeil
Nets over \$11,000
for Homeless

e) (9) a News Release, dated January 23, 2012, from the London St. Thomas Association of Realtors® (LSTAR), advising that its Funspeil netted over \$11,000 for the homeless.

Next Meeting

6. That the next meeting of the Council Housing Leadership Committee will be held at the call of the Chair.

The meeting adjourned at 1:30 p.m.

Chair and Members
 Community Services Committee

#12025
 February 24, 2012

**RE: 2011 Allocation to Habitat for Humanity
 Under The City of London Housing Partnership Policy**


FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance and Corporate Services confirms that the Municipal contribution can be accommodated from the Affordable Housing Reserve Fund, and that subject to the adoption of the recommendation of the Director of Municipal Housing, Community Services Department, the detailed source of financing for this request is:

<u>ESTIMATED EXPENDITURES</u>	<u>This Submission</u>
1189 Huron Street	\$24,000.00
578 Highbury Avenue	1,117.00
NET ESTIMATED EXPENDITURES	<u><u>\$25,117.00</u></u>
 <u>SOURCE OF FINANCING</u>	
Drawdown from Affordable Housing Reserve Fund	\$25,117.00
TOTAL FINANCING	<u><u>\$25,117.00</u></u>

- 1) The uncommitted balance in the New Affordable Housing Reserve Fund will be approximately \$6,516,000 with the approval of this project.

EH



 Alan Dunbar
 Manager of Financial Planning & Policy

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TO:	CHAIR AND MEMBERS COUNCIL HOUSING LEADERSHIP COMMITTEE MEETING ON FEBRUARY 14, 2012
FROM:	L. STEVENS DIRECTOR OF MUNICIPAL HOUSING COMMUNITY SERVICES DEPARTMENT
SUBJECT:	2011 ALLOCATION TO HABITAT FOR HUMANITY UNDER THE CITY OF LONDON HOUSING PARTNERSHIP POLICY

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** under the Housing Partnership Policy:

- 1) Habitat for Humanity London Inc. be allocated a grant for their 2011 builds as follows:
 - a) \$24,000.00 for the housing unit at 1189 Huron Street and
 - b) \$1,117.00 for the housing unit at 578 Highbury Avenue,
for a total municipal allocation of \$25,117.00

- 2) This recommendation be forwarded to the Community Services Committee on March 5, 2012 along with a Sources of Financing Report for the allocation of \$25,117 recommended above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Council Housing Leadership Committee

July 19, 2007 – Housing Partnership Policy

BACKGROUND

At its regular business meeting held on August 13, 2007, Municipal Council resolved that the following Housing Partnership Policy be adopted:

“Under the Housing Partnership Policy, the City of London will provide a grant to those groups in the not-for-profit sector that do not qualify under existing government affordable housing funding programs, to support the creation of new affordable housing in the City of London.”

Eligibility Criteria

Applications for funding under this policy will be evaluated for compliance with the following eligibility criteria:

- proponents must be housing related groups or agencies with not-for-profit or charitable status
- requests must be presented through a business case to the City of London Housing Division
- the maximum allocation is \$24,000 per unit to be provided as a grant to offset the cost of municipal fees and charges
- units must be located in the City of London
- the allocation cannot be stacked onto any other municipal housing contribution
- grants must be approved by Municipal Council

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- groups must acknowledge City of London contributions
- the proponents must agree to meet the affordability targets specified by the City of London
- \$100,000 maximum allocation per year.

The City of London Community Housing Strategy

The objective of the London Community Housing Strategy is to achieve the greatest number of affordable housing units possible within available resources through an efficient use of municipal, provincial and federal funds and through the involvement of the private and not-for-profit sector. Allocations under the Housing Partnership Policy will assist in achieving this goal.

Request from Habitat for Humanity (see attachment A)

The January 6, 2012 letters from Jeff Duncan, CEO of Habitat for Humanity London, request that the City of London assist Habitat For Humanity London Inc. with the cost of their new builds in London in 2011. This request meets the Policy criteria for reimbursement of municipal fees and charges.

\$ Request	Address	Max \$ per Unit
24,580.40	1189 Huron Street	24,000.00
1,117.00	578 Highbury Avenue	1,117.00
Total		\$25,117.00

Recommendation

Under the City of London Housing Partnership Policy, it is recommended that Habitat for Humanity London Inc. receive a grant of \$25,117.00 for the housing units built in 2011 at 1189 Huron Street and 578 Highbury Avenue in London.

FINANCIAL IMPACT

As per the Housing Partnership Policy, funding for the delivery of the Housing Partnership Program will be drawn from the Affordable Housing Capital Reserve Fund.

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

- C. A.L. Barbon, Manager, C/S Financial & Business Services
 A. Dunbar, Mgr Financial Planning & Policy

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ATTACHMENT A



CITY OF LONDON HOUSING DIVISION

RECEIVED JAN 11 2012

FILE NO. _____

REFERRED TO _____

Building Homes Building Hops

- FOR ACTION
- FOR INFORMATION
- FOR REPORT
- FILE
- S.F.
- OTHER _____

January 6, 2012

Louise Stevens
Director, Municipal Housing
P.O. Box 5035
267 Dundas Street, 3rd Floor
London, ON N6A 4L9

Re: Request for re-imbusement of Permit & Development Fees – 578 Highbury Ave.

Dear Louise:

Habitat for Humanity London (HFHL) has now completed our 33rd home built for low-income families in our community. With the support of individuals, local business and community organizations we have been able to make the dream of affordable home ownership a reality since 1993.

The property was purchased at a discounted price from a small developer who wanted to help us with our work. A 4 bedroom raised bungalow was constructed on the site. There was formerly a house on the site which was demolished and removed after being foreclosed on by a lender. The house had been used for illegal purposes and was in such poor condition it could not be salvaged. We believe that by redeveloping this property not only have we assisted a low income family achieve home-ownership but we have contributed to the overall spirit, value and redevelopment of the neighbourhood.

Our goal is to build affordability into the purchase price and the overall housing cost for the family. The family mortgage and property tax payment is based on 25% of their gross yearly income and is reviewed annually. We incorporate a number of energy efficient and low maintenance features into every home we build to reduce utility costs and improve the home's durability.

This project began in September of 2011 with the home being completed and occupied by the family on November 29, 2011. Site development required a zoning amendment variance and permit fees. I would like to respectfully request that the City of London reimburse Habitat for Humanity London for the fees paid for the home totaling \$1,117.00.

Thank you for the opportunity to present our case to the Council Housing Leadership Committee. Thank you also for your continued creativity and support for affordable housing solutions in the City of London!

Yours truly,

Jeff Duncan
Chief Executive Officer

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London
CANADA

The Corporation of the City of London
Department of Planning & Development

Building Div.: (519) 661-4555
Planning Div.: (519) 661-4980

Customer Receipt

Receipt # 125940

Date Issued:	Apr 28, 2011	Application #	11 012407 000 00 MV
Fees Paid by:	Habitat for Humanity		
Payee Address:	45 PACIFIC CRT LONDON ON N5V 3N4		
Permit for:	Peter Sikic - Residential		
Project Address:	578 Highbury Ave N (PLAN 481 LOT 8 31.50FR 121.00D)		

RECEIVED MAY 10 2011

Details: A.052/11 Minor Variance

<u>G/L Account Number</u>	<u>Payment Description</u>	<u>Amount Paid</u>
700303.806600	Variance Application Fee	\$400.00
	Total Paid:	\$400.00

Paid By: Cheque

Payment Received by: JAREID

Note: Receipt is not valid until cheque clears. A \$35 administrative charge will be applied against all NSF cheques.

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The Corporation of the City of London
 Department of Planning & Development

Building Div.: (519) 661-4555
 Planning Div.: (519) 661-4980

RECEIVED JUL 14 2011

Customer Receipt

Receipt # 128575

Date Issued: Jul 11, 2011 **Application #** 11 022311 000 00 RD
Fees Paid by: Habitat for Humanity London Inc. Building Fund
Payee Address: 45 PACIFIC CRT UNIT 11
 LONDON ON N5V 3N4
Permit for: Erect - Single Detached Dwelling
Project Address: 578 Highbury Ave N (PLAN 481 LOT 8 31.50FR 121.00D)

PAID
 72510
 02.1000

Details:

<u>G/L Account Number</u>	<u>Payment Description</u>	<u>AmountPaid</u>
630101.705000	Permit Fee Paid At Application	\$713.00
762001.776600	Construction Water Fee Paid At Applic	\$4.00
	Total Paid:	\$717.00

Paid By: Cheque

Payment Received by: PHASTIE

Note: Receipt is not valid until cheque clears. A \$35 administrative charge will be applied against all NSF cheques.

Two empty rectangular boxes for agenda item and page numbers.



CITY OF LONDON HOUSING DIVISION

Building Homes, Building Hope

January 6, 2012

Louise Stevens
Director, Municipal Housing
P.O. Box 5035
267 Dundas Street, 3rd Floor
London, ON N6A 4L9

Administrative routing form with fields for 'FILE NO.', 'PREPARED TO', 'SUBSEQUENT REFERRALS', and checkboxes for 'FOR ACTION', 'FOR INFORMATION', 'FOR REPORT', 'FILE', 'B.P.', and 'OTHER'.

Re: Request for re-impursement of Permit & Development Fees - 1189 Huron St.

Dear Louise:

Habitat for Humanity London (HFHL) has now completed our 32nd home built for low-income families in our community. With the support of individuals, local business and community organizations we have been able to make the dream of affordable home ownership a reality since 1993.

This infill property was purchased from a private individual who donated a portion of the value. A 3 bedroom home was moved to the site that was gifted by the City of London to the HAL project. This was the second "Home at Last" project partnership we have worked on with LSTAR, CMHC and the City of London. The goal was to salvage and revitalize the home for a family, instead of demolishing and disposing of it. We moved the home from Ridgewood Crescent to this vacant site which Habitat For Humanity London purchased at 1189 Huron Street. This was a terrific opportunity for several reasons. It provided us with another opportunity to work with the HAL group and we were able to salvage and revitalize this house and provide another low income London family with an opportunity for home ownership.

We appreciate the effort that the City of London made to gift, save and reuse this home for affordable housing. It should be noted that the City and Mayor's office facilitated the move of the home and assisted with the associated expenses. This was a key factor in the success of the project!

Our goal is to build affordability into the purchase price and the overall housing cost for the family. The family mortgage and property tax payment is based on 25% of their gross yearly income and is reviewed annually. We incorporate a number of energy efficient and low maintenance features into every home we build to reduce utility costs and improve the home's durability. This was a major renovation with new mechanical and electrical systems, building envelope and insulation improvements including new siding, windows and doors. It is our belief that this home will be reliable and easy to maintain while remaining affordable to operate for our partner family.

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Building Homes, Building Hope

Louise Stevens
Director, Municipal Housing
January 6, 2012
Page 2

Re: Request for re-imbursement of Permit & Development Fees – 1189 Huron St.

The home was moved to 1189 Huron in June 2011. Site preparation, foundation and building relocation was completed by mid August. The renovation project began immediately following this with completion and occupancy by the family on November 29, 2011. This development required as much input and effort as new home construction and there were several significant challenges. The site servicing costs were \$33,000 double the average for our projects since there were no municipal site services to the property line and access is on the north side of Huron Street. Zoning and site plan approval required a significant front yard setback extending the servicing requirements and adding extra costs. While we are not requesting any assistance with this issue we felt it was worth noting as it had a significant impact on the budget. This is an infill lot so we were required to pay the full development levy and associated permit fees. I would like to respectfully request that the City of London reimburse Habitat for Humanity London for the permit fees and development levy paid for the home totaling \$24,580.40. These were not items which were covered by the HAL funds.

Thank you for the opportunity to present our case to the Council Housing Leadership Committee. Thank you also for your continued creativity and support for affordable housing solutions in the City of London!

Yours truly,

A handwritten signature in black ink, appearing to read "Jeff Duncan", written over a horizontal line.

Jeff Duncan
Chief Executive Officer

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The Corporation of the City of London
 Department of Planning & Development

Building Div.: (519) 661-4555
 Planning Div.: (519) 661-4980

Customer Receipt

Receipt # 128088

Date Issued: Jun 29, 2011 **Application #** 11 020940 000 00 RD
Fees Paid by: Habitat for Humanity London Inc. Building Fund
Payee Address: 45 PACIFIC CRT UNIT 10
 LONDON ON N5V 3N4
Permit for: Erect - Single Detached Dwelling
Project Address: 1189 Huron St S/S (CON 2 PT LOT 10 77.00FR 175.00D)

Details:

<u>G/L Account Number</u>	<u>Payment Description</u>	<u>AmountPaid</u>
630101.705000	Permit Fee Paid At Application	\$650.00
	Total Paid:	\$650.00

Paid By: Cheque

Payment Received by: PHASTIE

Note: Receipt is not valid until cheque clears. A \$35 administrative charge will be applied against all NSF cheques.

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London
CANADA

The Corporation of the City of London
Department of Planning & Development

Building Div.: (519) 661-4555
Planning Div.: (519) 661-4980

Customer Receipt

Receipt # 129029

Date Issued:	Jul 20, 2011	Application #	11 020940 000 00 RD
Fees Paid by:	Habitat For Humanity London Inc		
Payee Address:	45 PACIFIC CRT 11		
Permit for:	LONDON ON N5V 2C7 CANADA		
	Erect - Single Detached Dwelling		
Project Address:	1189 Huron St S/S (CON 2 PT LOT 10 77.00FR 175.00D)		

RECEIVED AUG 23 2011

Details:

<u>G/L Account Number</u>	<u>Payment Description</u>	<u>Amount Paid</u>
RESF65.888600	Cash In Lieu of Parkland	\$1,665.00
RESF82.807100	Add/Over D.C. (CS)	\$15,839.00
RESF59.807100	Add/Over D.C. (UW)	\$6,381.00
762001.776600	Water Meter Fee (Remote)	\$33.38
762001.776600	Construction Water Fee Paid At Applic	\$12.02
	Total Paid:	\$23,930.40

Paid By: Cheque

Payment Received by: JRICE

Note: Receipt is not valid until cheque clears. A \$35 administrative charge will be applied against all NSF cheques.

Chair and Members
Community Services Committee

#12026
February 24, 2012

RE: Convert-To-Rent/Rehabilitation Program Proposal
392 Richmond Street

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance and Corporate Services confirms that the Municipal contribution can be accommodated from the Affordable Housing Reserve Fund, and that subject to the adoption of the recommendation of the Director of Municipal Housing, Community Services Department, the detailed source of financing for this request is:

<u>ESTIMATED EXPENDITURES</u>	<u>This Submission</u>
392 Richmond Street - 7 units @ \$22,667	\$158,672.00
<u>NET ESTIMATED EXPENDITURES</u>	<u>\$158,672.00</u>
<u>SOURCE OF FINANCING</u>	
Drawdown from Affordable Housing Reserve Fund	\$158,672.00
<u>TOTAL FINANCING</u>	<u>\$158,672.00</u>

- 1) The uncommitted balance in the New Affordable Housing Reserve Fund will be approximately \$6,357,000 with the approval of this project.

EH



Alan Dunbar
Manager of Financial Planning & Policy

APPENDIX A

City of London Convert-To-Rent / Rehabilitation Assistance Program 2012

Property: 392 Richmond Street between Dundas and King Streets

Owners: Vernon Martin and Adam Woodhouse

Building Description: The building is located in the downtown area and consists of ground floor commercial with two floors above that can be rehabilitated to provide seven affordable units with a shared laundry room. The upper floors are currently vacant and uninhabitable due to building code, plumbing and electrical deficiencies. The commercial tenant is C.R. Sumner & Sons Jewellers who has been a tenant for approximately 16 years.

Cost Estimate Total: \$368,479 (includes net HST)

Construction: \$323,265 +HST

Soft Costs: \$27,000 +HST

Request from the City of London: \$158,672 (\$22,667/unit)

Approved CMHC: \$168,000 (\$24,000/unit)

Owner Equity: \$36,848

Mortgage: \$200,000

Affordability Agreement: 20 years (includes five year phase out period)

Rent (includes heat & water):

Bachelor 70% CMHC AMR (1): \$378

One bedroom 80% CMHC AMR (5) \$572

One bedroom 70% CMHC AMR (1): \$501

Total Number of Units: 7

Attached documents:

- Cover letter
- Proposed construction/renovation scope of work
- Capital budget
- Operating budget
- Exterior front picture
- Building location map
- Floor plans

Prepared by: Neil Watson, Housing Development Consultant
January 16, 2012

By-law No.

A by-law to approve an agreement between The Corporation of the City of London (the City) and Vernon Martin and Adam Woodhouse (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 _____, 2012.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading –

CONTRIBUTION AGREEMENT

**CITY OF LONDON
CONVERT-TO-RENT / REHABILITATION ASSISTANCE PROGRAM**

THIS AGREEMENT DATED the day of xxxxxx, 2012

Between: **THE CORPORATION OF THE CITY OF LONDON** (the "City")

OF THE FIRST PART:

-AND-

VERNON MARTIN and ADAM WOODHOUSE (the "Borrower")

OF THE SECOND PART:

WHEREAS By-Law No. A.-5814-11, the Municipal Housing Facilities By-Law, (the By-Law), permits the City to make a loan to an owner of a rental property and forgive the total or partial repayment of the loan, provided that the owner has entered into an agreement with the City that conforms to the By-Law, its Regulations, and pursuant to the conditions attached to the loan and those included in this document;

AND WHEREAS the Borrower has requested a loan by a letter dated the xxx^h day of xxx 2012, and whereas the City has agreed to grant a forgivable loan to be earned over the term of this agreement, provided that the Borrower complies with prescribed conditions;

AND WHEREAS the Borrower is to undertake and complete all mandatory health and safety repairs to all non-eligible units and common areas and to undertake and complete the conversion and/or rehabilitation of the existing building into self-contained rental units, (the "Property"), situated at: Plan xxx PT Lot xx, xxx St as in xxx, City of London, County of Middlesex, known municipally as xxxx Street, London, Ontario;

AND WHEREAS the City has agreed to give a forgivable loan to the Borrower provided that during the term of this agreement, seven (7) units in the Property will be rented to tenants who spend less than thirty percent of their family income on rent and who have incomes below the Established Income Thresholds established from time to time by the City of London.

THEREFORE in consideration of the covenants contained herein and other valuable consideration given by the Borrower to the City (the receipt and sufficiency of which is hereby acknowledged) the parties, covenant and agree as follows:

1. FORGIVABLE LOAN

The City agrees to grant to the Borrower a forgivable loan in the amount of xxxxx thousand dollars (\$xxxxx) which loan shall be fully forgivable by the City if the Borrower complies with the terms of the conditions in this agreement. The obligation to repay this loan will be reduced by 1/20 of the loan amount in each year of the term until forgiven or until the Borrower is required to repay the loan in accordance with the terms of this agreement.

2. RENT

(a)The Borrower shall provide affordable rental units that do not exceed the CMHC average market rent. Rents will remain affordable for a period of twenty years, including a 5 year phase out period. The CMHC 'average market rents' are adjusted to include utilities. Maximum affordable rents for 2012 will be set as follows:

<u>Unit Description</u>	<u>80% CMHC AMR</u>	<u>Established Income Threshold</u>
1Bachelor Unit	\$xxx	\$xxx
1 Bedroom Unit	\$xxx	\$xxx
1 Bedroom Unit	\$xxx	\$xxx

The above rents represent the maximum rent levels for units under this program.

(b)The rents as outlined in 2(a) will be inclusive of heat and water. Rents are exclusive of parking, telephone, cable and other similar fees. The completion date is estimated to be xxxxxx, 2012. Qualified Households for each Unit shall be those households with annual income not in excess of the Established Income Thresholds herein for each Unit.

(c) In subsequent years while this Agreement is in force, the Borrower may implement rent increases that are no greater than those allowed under the *Residential Tenancies Act, 2006*, or any successor legislation, rent guideline published annually. Where rent increases above this level are necessary because of increases in the eligible operating expenses, a Revenue and Expense Statement and a Projected Budget must be submitted to the City Housing Division. These statements are required at least four months prior to the effective date of the proposed rental increase. The City may request additional information to substantiate the requested rent increase. Upon review of the information supplied, the City, at its sole discretion, may approve the proposed rent increase in whole or in part. The increase will be the lower amount approved by the City or allowed under the *Residential Tenancies Act, 2006*, or successor legislation.

(d) Following the full completion of the conversion and/or rehabilitation work related to the property, the Borrower shall annually on the anniversary date of the signing of this agreement, submit to the City of London Housing Division a completed 'Project Owner's Annual Report' on the form attached hereto as Schedule "A".

3. PHASE-OUT PERIOD

(a)The Phase-out Period means the last five (5) years of this agreement.

(b)During the Phase-out Period, the Borrower shall not increase the rent charged to in-situ tenants of units by more than the rent guideline increase permitted under section 2(c).

(c)Upon a unit becoming vacant during the Phase-out Period, the Borrower may rent the unit to a new tenant at any rent agreed to by the Borrower and the new tenant.

4. AFTER PHASE-OUT PERIOD

After the end of the Phase-out Period, the Borrower shall be permitted to rent units to new tenants at rents agreed to by the Borrower and the new tenants.

5. DEFAULT REPAYMENT

Should the Borrower be in default under the terms of the loan or under the terms of this Agreement or under the terms of any mortgage or other encumbrance registered on title to the Property, the City shall have the right to declare all or part of the unearned portion of the forgivable loan due and payable immediately. Interest will be payable only from the date of default until the loan is paid in full. The interest rate shall be the Bank of Canada Prime Rate plus 2% in effect at the time of the loan default.

The amount of the forgivable loan that must be repaid is equal to the total amount of the forgivable loan less any amount considered forgiven from the first day of the month following the payment of funds until the date of default.

6. LEASING

In the event the tenant in an assisted unit vacates the unit, the Borrower shall ensure the total household income of the new tenant of the unit is at or below the applicable income threshold.

Confirmation of the new tenant(s) name, household size and total household income completed by the tenant before occupancy must be retained by the Borrower for the term of this agreement.

Where the Borrower and/or immediate family member moves into one of the assisted rental units, the unearned pro rata portion of the forgivable loan applicable to the rental unit is to be repaid, in accordance with the provisions of section 4 above. A legitimate and arms length Borrower/tenant relationship must exist.

Units shall be made available during the first year following completion of conversion work to individuals and families on the City Housing Access Centre Waiting List, subject to their ability to pay affordable rent for the available unit.

7. VACANT UNIT

If the Borrower is unable to locate a tenant with income below the established income threshold, the Borrower shall notify the City immediately. Failure to comply with this requirement may result in the forfeiture of assistance.

8. FORFEITURE OF ASSISTANCE

During the term of this agreement, the number of units rented to tenants who have incomes at or below the Established Income Threshold, must be maintained at the original number stated in this agreement. In the event this requirement is not met, the unearned portion of the forgivable loan for any assisted unit(s) not rented to tenants meeting the established income thresholds becomes immediately due and payable in accordance with section 5.

9. DISCRIMINATION

The Borrower agrees, in the renting of the Property, not to discriminate against any person by reason of race, national or ethnic origin, colour, religion, age, disability, sex, marital status, sexual orientation, a conviction for which a pardon has been granted, or other reason in contravention of the *Ontario Human Rights Code*, R.S.O. 1990 c.H.19, as amended from time to time.

10. MAINTENANCE

The Borrower shall be responsible for ensuring that the units are maintained to a minimum level of health and safety.

11. MONITORING

The Borrower shall retain the verification of income from tenants and other such records in a form satisfactory to the City and shall permit the City to have access to the Property and to inspect such records at any reasonable time. The Borrower will supply information as may be requested by the City to confirm adherence to this agreement.

12. SALE OF PROPERTY

The Borrower agrees to notify the City in writing at least twenty (20) working days prior to the closing date of any sale of the Property.

The Borrower covenants that any purchaser of the Property shall agree to be bound by the terms and conditions of this Agreement and shall execute a new agreement in this form before consent to the sale in writing may be given by the City. Rent increases will continue to be permitted in accordance with the terms of the original agreement. No increase in rents will be permitted at the time of sale.

In the event that the Property is sold or otherwise disposed of without the prior knowledge and written consent of the City, the Borrower shall be considered to be in default and any unearned loan forgiveness shall become due and payable immediately, together with accrued interest thereon calculated from the date of sale. The interest shall be the Bank of Canada Prime Rate Plus 2% in effect at the time of the loan default.

13. MORTGAGE POSTPONEMENTS

During the term of this Agreement, postponement of the Convert-To-Rent / Rehabilitation Assistance Program loan mortgage security will be considered only under the following conditions and at the sole discretion of the City:

Mortgage rollover;

- to permit renewal of an existing prior mortgage at current market rates,
- to permit refinancing of a prior mortgage(s) to obtain more favourable terms in respect of interest rate, monthly payments, to finance, at rates of no greater than the current market, cost market, cost overrun or the cost of repairs; and
- to facilitate the making of such advances on a prior registered mortgage which was not fully advanced at the time of registration of the Convert-To-Rent / Rehabilitation Assistance Program loan mortgage provided such prior mortgage has not been increased,
- Such other reasons as may be agreed to by the City.

City approval will be subject to a review to ensure continued viability of the project and to ensure monthly payments after additional financing do not result in excessive rent increases.

Postponements, including upon sale of the property, will not be approved where equity is being withdrawn.

14. TERM OF AGREEMENT

This agreement shall continue in force for a period of 20 years from the date hereof.

IN WITNESS WHEREOF the said parties hereto have caused these presents to be signed on the day and year first above-mentioned.

SIGNED, SEALED AND
DELIVERED

**THE CORPORATION OF
THE CITY OF LONDON**

Per: _____

Joe Fontana, Mayor

Per: _____

Catharine Saunders, City Clerk

VERNON MARTIN and ADAM WOODHOUSE

Per: _____

Vernon Martin, Property Owner

Per: _____

Adam Woodhouse, Property Owner

We have authority to bind the Corporation.

D. Project Certification

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the City of London to review the rent roll from appropriate source(s) if deemed necessary.

Signature

Date: _____

Name:
Owner of the Property

APPENDIX B



33901 MAGUIRE ROAD, R.R. 2, AILSA CRAIG, ONTARIO, N0M 1A0
PHONE: 519.293.3833 FAX: 519.293.3031 mross@shirewood.ca

January 6, 2012

City of London
Housing Division
P.O. Box 5035
London, Ontario
N6A 4L9

Attention: Melissa Gascon

Re: 392 Richmond Street, London Ontario
Residential Rehabilitation Assistance Program (RRAP)

Dear Ms. Gascon,

On behalf of my client Vernon Martin, please find enclosed a revised capital and operating budget information for the previously submitted application for the RRAP program for 392 Richmond Street in London. The building is located in the downtown area and consists of ground floor commercial with two floors above that can be rehabilitated for 7 apartments. The changes are outlined on the attached document.

Attached is a photograph of the building, drawings of the proposed layout of the apartments, and a map showing the building location. The upper floors are currently vacant and uninhabitable due to building code, plumbing and electrical deficiencies.

An application has also been made to CMHC for RRAP funding. Funding totalling \$168,000 has been approved from CMHC.

Please do not hesitate to contact me if you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to read "Malcolm Ross".

Malcolm Ross
Development Consultant

c.c. Vernon Martin

Rental Rehabilitation Assistance Program (RRAP)

Proposed Construction Renovation Scope of Work – 392 Richmond Street

See Capital Budget for Costing

1. Appliances – Replacement of Refrigerator and Range and addition of microwave for 7 units
2. Mill Work – Complete replacement of all mill work in kitchens and bathrooms
3. Masonry – Re-pointing and repair of front and rear brick work
4. Demolition – Due to the condition of the wiring and plumbing all current drywall will be removed to wood framing to permit the installation of proper electrical and plumbing services to meet current building code and to add insulation between units and in the attic cavity.
5. Doors – New suite doors and interior doors and frames.
6. Drywall – New drywall to meet fire code requirements for demising walls and ceilings.
7. Electrical – New sub-panels to each of the seven apartments. New receptacles, lighting, heat detectors and smoke alarms.
8. Flooring – New maintenance free ceramic tile in vestibules, kitchens, and baths. New laminate flooring in bedrooms and living rooms.
9. Carpentry & Trim- New baseboard, crown moulding, window jambs and casing in all units.
10. Finish Hardware – New suite entrance hardware, new door hardware throughout. Vinyl horizontal blinds for all windows.
11. Framing & Rough Carpentry – Revised interior layout to maximize living space.
12. Insulation – Roxul sound attenuation insulation between apartments. Blown in cellulose insulation for R40 in attic crawl space.
13. Light Fixtures – New light fixtures, switches, faceplates and receptacles
14. Plumbing – New ceramic tub surrounds, vanities, kitchen sinks and toilets.
15. Painting – Two coats of paint throughout.
16. Roofing – Roof repair and replacement as required.
17. Windows – Replacement of all windows with energy efficient energy star units.
18. Laundry – New coin operated washer and dryer in laundry room on second floor.
19. Security – New keyed entry system for lower front entrance and rear exit.
20. Contingency – A 15% contingency has been budgeted to deal with unforeseen issues that may come up during a renovation of this type.

VERNON MARTIN & ADAM WOODHOUSE
Renovation of 392 Richmond Street, London Ontario N6B 2K1

CAPITAL BUDGET

6-Jan-12 7 units

Item	Cost	Unit Cost
1 Appliances	\$ 9,000	\$ 1,286
2 Cabinetry Mill Work	\$ 16,000	\$ 2,286
3 Masonry	\$ 3,000	\$ 429
4 Demolition	\$ 18,000	\$ 2,571
5 Asbestos removal	\$ 10,000	\$ 1,429
6 Doors	\$ 13,500	\$ 1,929
7 Drywall	\$ 27,000	\$ 3,857
8 Electrical & alarms	\$ 26,000	\$ 3,714
9 Flooring - ceramic	\$ 14,000	\$ 2,000
10 flooring - laminate	\$ 10,500	\$ 1,500
11 Carpentry & trim	\$ 18,000	\$ 2,571
12 Finish hardware	\$ 4,900	\$ 700
13 Framing & rough in	\$ 8,000	\$ 1,143
14 Insulation	\$ 20,000	\$ 2,857
15 Light fixtures	\$ 6,200	\$ 886
16 Plumbing	\$ 28,000	\$ 4,000
17 Painting	\$ 19,000	\$ 2,714
18 Roofing	\$ 12,000	\$ 1,714
19 Windows	\$ 12,000	\$ 1,714
20 Laundry	\$ 3,000	\$ 429
21 Security	\$ 3,000	\$ 429
22 Const. Contingency 15%	\$ 42,165	\$ 6,024
Subtotal	\$ 323,265	\$ 46,181
HST	\$ 42,024	\$ 6,003
	\$ 365,289	\$ 52,184
Development Consultant	\$ 4,000	\$ 571
Architect drawings	\$ 4,000	\$ 571
Permits	\$ 1,500	\$ 214
Insurance construction	\$ 1,500	\$ 214
Legal	\$ 3,000	\$ 429
Audit	\$ 3,000	\$ 429
Interest during constuction	\$ 7,000	\$ 1,000
Non Const. Contingency	\$ 3,000	\$ 429
Sub-Total	\$ 27,000	\$ 3,857
TOTAL Construction & Other Costs	\$ 350,265	\$ 50,038
HST	\$ 45,534	\$ 6,505
GST/HST Rebate	\$ 27,321	
TOTAL PROJECT COST	\$ 368,479	\$ 52,640
CMHC Seed Funding	\$ 4,959	
City of London RRAP	\$ 158,672	\$ 22,667
CMHC RRAP	\$ 168,000	\$ 24,000
Owner Equity	\$ 36,848	
TOTAL PROJECT FINANCING	\$ 368,479	

STATEMENT OF REVENUE AND EXPENSES

6-Jan-12

392 Richmond Street, London

REVENUE	#	Monthly Rent	Annual Rent
Bachelor 70% CMHC	1	\$ 378	\$ 4,536
1 Bedroom 80% CMHC	5	\$ 572	\$ 34,320
1 bedroom 70% CMHC	1	\$ 501	\$ 6,012
3 Bedroom			\$ -
Total Units & Revenue	7		\$ 44,868
Vacancy Allowance %	5%		\$ 2,243
Effective Gross Income			\$ 42,625
Non-Residential Income	Store Main floor		\$ 14,400
Other Revenue	Laundry		\$ 1,500
Total Gross Income			\$ 58,525
EXPENSE			
Taxes			\$ 7,500
Insurance			\$ 2,500
Maintenance & Repairs			\$ 3,000
Hydro			\$ 1,000
Heat			\$ 5,500
Water			\$ 2,800
Janitorial			\$ 2,000
Administration & Advertising			\$ 4,000
Bad Debt			\$ 700
Professional Fees			
Snow Removal & Grounds			\$ 1,500
Garbage			
Other			
Total Expenses			\$ 30,500
Net Operating Income			\$ 28,025
Mortgage Carrying Costs			\$ 17,093
Cash Flow			\$ 10,932
Mortgage 20 years @6%	6%	\$ 200,000	\$ 17,093
Interest factor		7.12189	

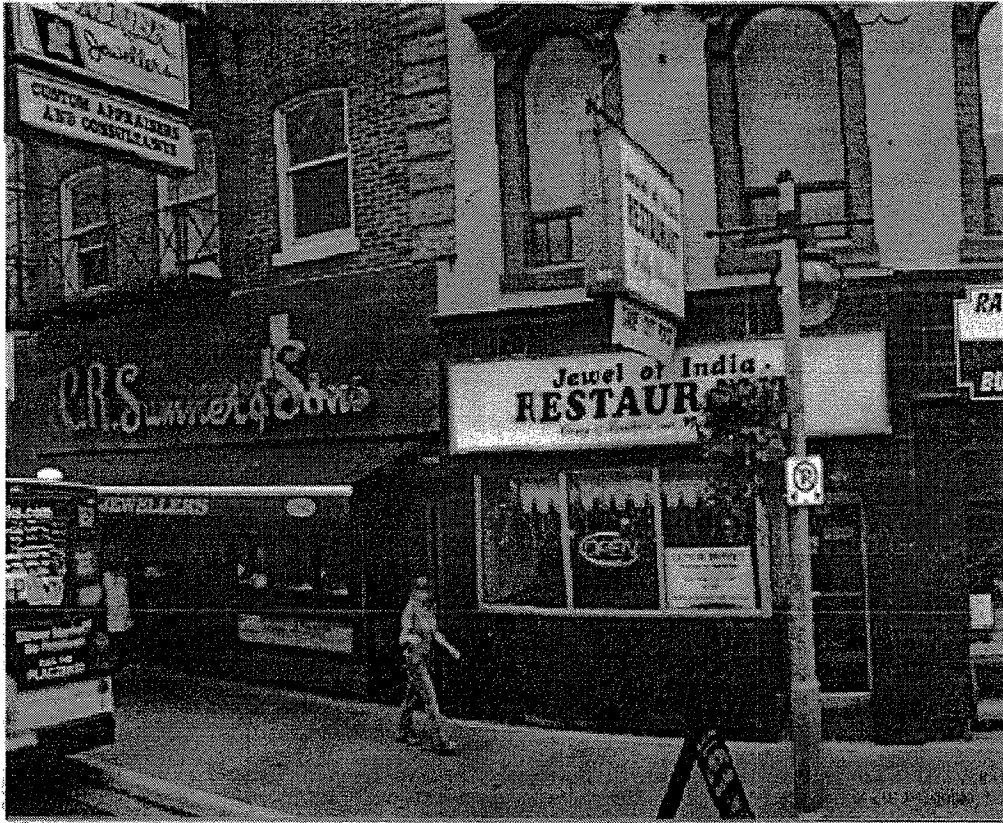
390 Ontario 4 - Google Maps

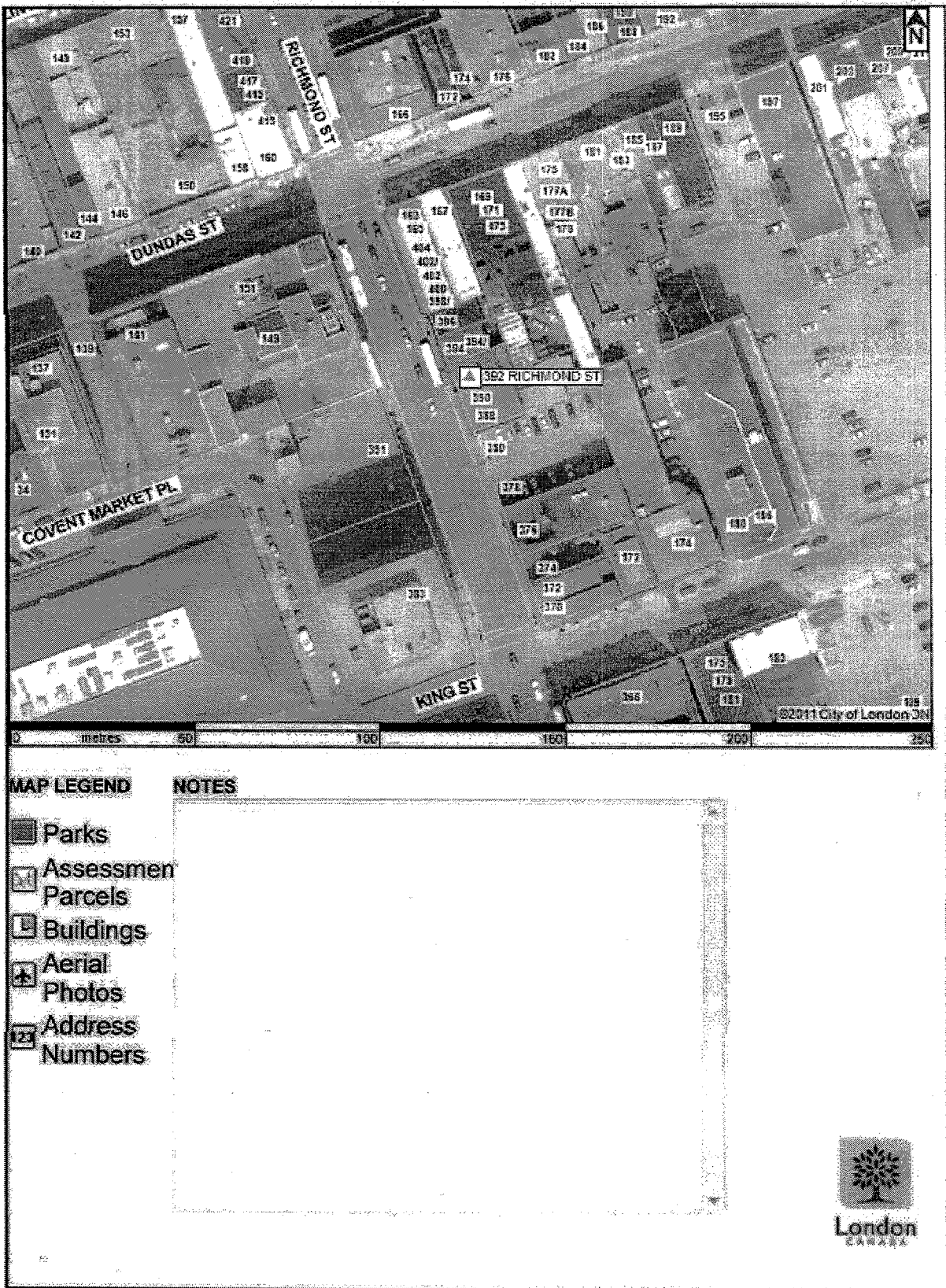
Google

Address 390 Ontario 4

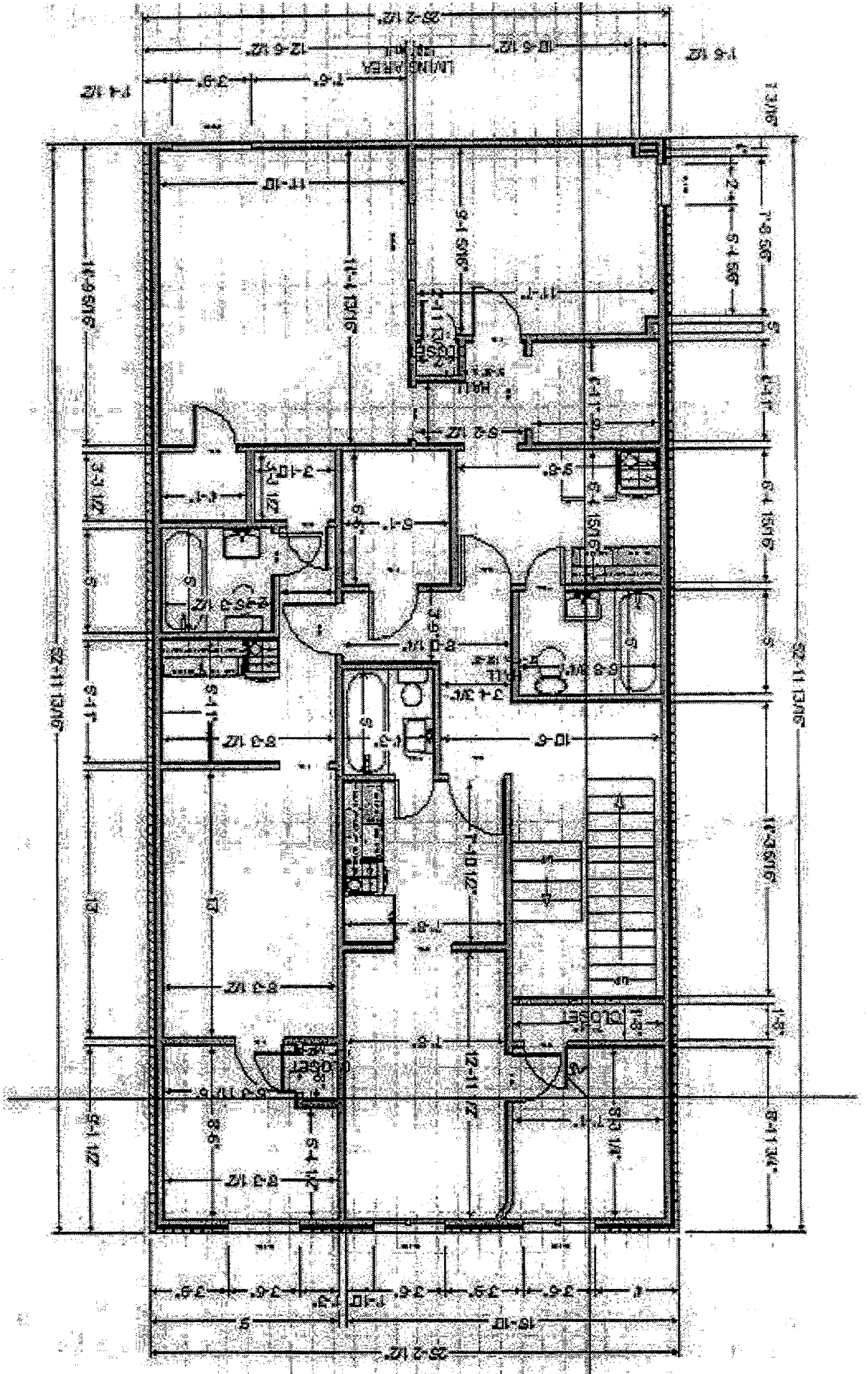
Address is approximate

Save trees. Go green!
Download Google Maps on your phone at google.com/gmm

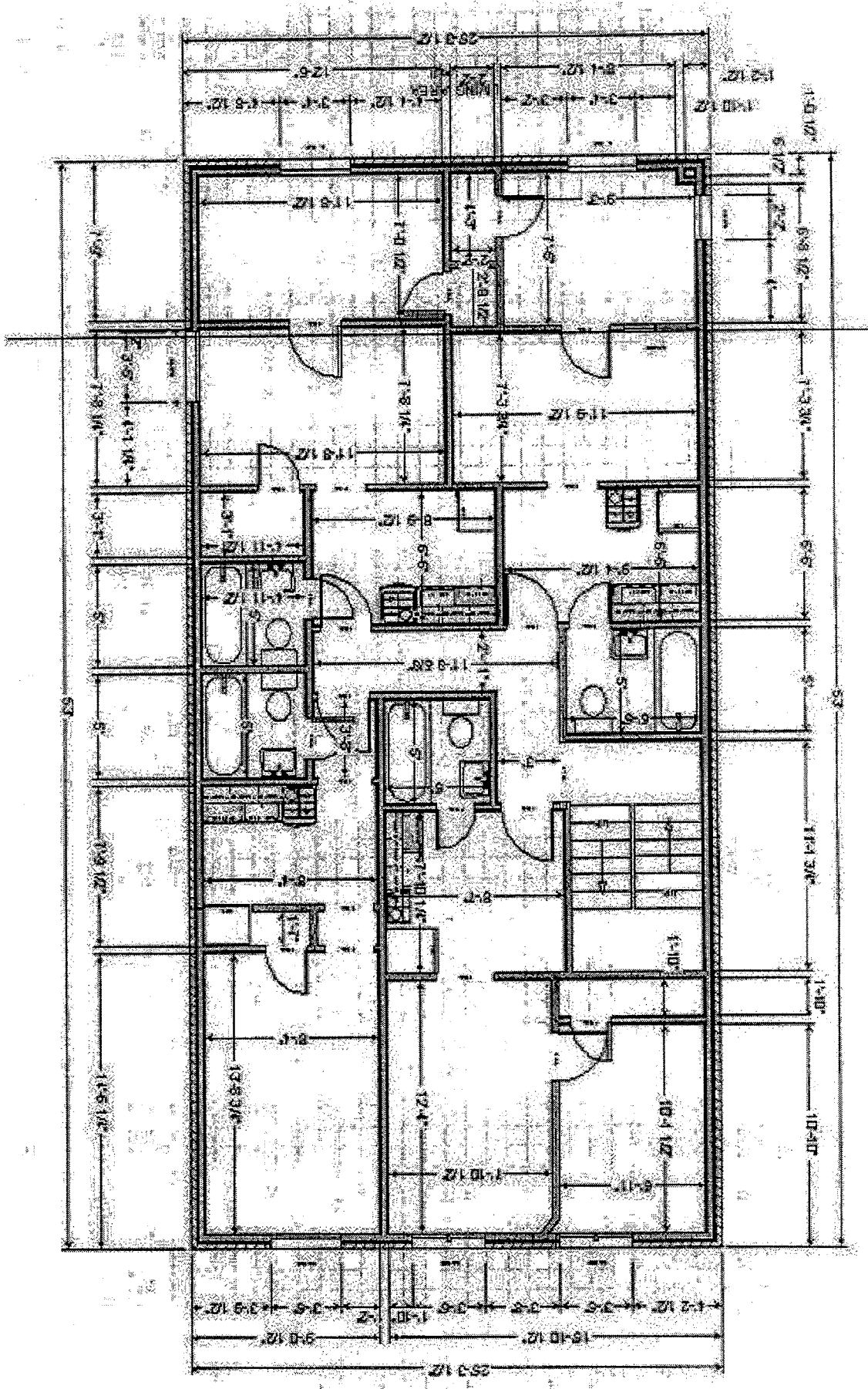




312 - 4/20/2018
1.8 FEELER TAPE FOR NEW CRACKS



Project: [illegible]
Community: [illegible]



TO:	CHAIR AND MEMBERS COUNCIL HOUSING LEADERSHIP COMMITTEE MEETING ON FEBRUARY 14, 2012
FROM:	L. STEVENS DIRECOR OF MUNICIPAL HOUSING COMMUNITY SERVICES DEPARTMENT
SUBJECT:	CONVERT-TO-RENT / REHABILITATION PROGRAM PROPOSAL FOR 392 RICHMOND STREET

RECOMMENDATION

1. 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** under the Convert-to-Rent/Rehabilitation Program:
 - a) Vernon Martin and Adam Woodhouse receive a municipal allocation of \$22,667 per unit funding for seven (7) affordable housing units at 392 Richmond Street.; and
 - b) This recommendation be forwarded to the Community Services Committee on March 5, 2012 along with a Sources of Financing Report for the total municipal allocation of \$158,672 recommended above.

2. That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Executive Director of Community Services, and in accordance with Municipal Housing Facilities By-Law No A.-5814-11, the attached by-law, appendix A, **BE INTRODUCED** at the Municipal Council meeting being held on March 20, 2012 to approve the Municipal Contribution Agreement pertaining to the above-noted proposal substantially in the form of agreement appended to the aforementioned by-law and to the satisfaction of the City Solicitor, and to authorize the Mayor and the City Clerk to execute the said Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Community and Protective Services Committee

November 25, 2002 – Affordable Housing \$2M Capital Reserve Fund Conditional Allocation
 March 29, 2004 – Convert-to-Rent Pilot Program and Old East village BIA

Council Housing Leadership Committee

March 7, 2006 – Convert-to-Rent Pilot Program Evaluation

BACKGROUND

London Community Housing Strategy

The London Community Housing Strategy (LCHS) plan, approved by Municipal Council in June 2010, represents an integrated and comprehensive approach that calls for a continued investment and action from all orders of government and from other sectors. It builds on local successes and addresses local needs in the continuum from streets to home ownership. The LCHS recommends a mix of system design, program, political advocacy, service delivery, and administrative recommendations that combine with 1,200 proposed new housing units.

The intention of the LCHS is to establish a more integrated and strategic approach that enhances our community's capacity to ensure all Londoners have a home. The LCHS also informs other community plans and services, noting that housing is integral to building healthy and sustainable communities.

Convert-To-Rent / Rehabilitation Program

The City of London Convert-To-Rent/Rehabilitation (CTR/Rehab) Assistance Program, approved by Council in March 2006, provides financial assistance up to \$24,000 per unit, for properties with seven units or less (up to a maximum of \$250,000 per year):

1. to convert non-residential properties into affordable self-contained rental housing units;
2. for substantial rehabilitation of rental buildings that are vacant and uninhabitable.

Proponents have the potential to increase the total funding contribution by also applying for funding through the Canada Mortgage & Housing Corporation (CMHC) Residential Rehabilitation Assistance Program (RRAP) Conversion Program.

CMHC also offers a forgivable loan to a maximum of \$24,000 per unit. If the CMHC and City of London loans are combined a proponent could receive a maximum of \$48,000 per unit. A Municipal Contribution Agreement was created and approved by Council in 2003.

All work must be completed within 18 months of receiving notice of funding approval. The Convert-To-Rent Municipal Contribution Agreement with successful proponents must be registered on title.

Proposals Approved To-Date Under Convert-to-Rent

Under the Convert-to-Rent/Rehabilitation Assistance program, with the added assistance of the Canada Mortgage & Housing Corporation RRAP Program, twenty-nine (29) units to-date were approved by the City of London:

- 225 Dundas Street, 5 apartment units
- 614 Dundas Street East, 2 apartment units
- 658 Dundas Street East, 2 apartment units
- 874 Dundas Street East, 2 apartment units
- 773 Dundas Street East, 1 apartment unit
- 610 Dundas Street East, 1 apartment unit
- 572 Dundas Street East, 10 apartment units
- 260 Clarence Street, 6 apartment units

Proposal for 392 Richmond Street

A request for funding was received from Vernon Martin and Adam Woodhouse, who recently purchased 392 Richmond Street. The building is located in the downtown area and consists of ground floor commercial with two floors above that can be rehabilitated to provide seven (7) affordable units with a shared laundry room. (see appendix B details prepared by N. Watson Housing Development Consultant)

The upper floors are currently vacant and uninhabitable due to building code, plumbing and electrical deficiencies. The commercial tenant is C.R. Sumner & Sons Jewellers who has been a tenant for approximately 16 years.

The proponents are requesting \$22,667 per unit for a total of \$158,672 from the City of London under our Convert-to-Rent/Rehabilitation Program.

The proponents have received approval for \$24,000 per unit under the Canada Mortgage and Housing Corporation Residential Rehabilitation Assistance program.

The rents for the seven (7) apartments will be established as follows:

# of Units	Unit size	% of CMHC Average Market Rent	Rent
1	Bachelor	70%	\$378
5	1 bedroom	80%	\$572
1	1 bedroom	70%	\$501

FINANCIAL IMPACT

Funding for the delivery of the Convert-to-Rent/Rehabilitation Program is drawn from the Affordable Housing Capital Reserve Fund.

Recommendation

It is recommended that the proposal from Vernon Martin and Adam Woodhouse for the property at 392 Richmond Street with respect to the Convert-to-Rent/Rehabilitation Program be approved and that a Municipal Contribution Agreement be entered into with Vernon Martin and Adam Woodhouse for the property at 392 Richmond Street for a total of \$158,672.

RECOMMENDED BY:	CONCURRED BY:
LOUISE STEVENS DIRECTOR OF MUNICIPAL HOUSING	R.L. FAIR GENERAL MANAGER OF COMMUNITY SERVICES

- C. A.L. Barbon, Manager, C/S Financial & Business Services
- A. Dunbar, Mgr Financial Planning & Policy
- N. Watson, Housing Development Consultant
- J. Binder, District Manager, Canada Mortgage and Housing Corporation
- D. Munteer, Solicitor, City of London

Mme Marie-Claude Morin
Députée Saint-Hyacinthe-Bagot
Chambre des communes
210, édifice de la Justice
Ottawa (Ontario), K1K 0A6

Endorsement letter for the NDP's Bill for a National Housing Strategy to ensure secure, adequate, accessible and affordable housing for Canadians

Whereas the access to adequate housing is a fundamental human right according to paragraph 25 (1) of the United Nations Universal Declaration of Human rights;

Whereas, in 1976, Canada ratified the International Covenant on Economic, Social and Cultural Rights, a legally binding treaty committing Canada to make progress on fully realizing all economic, social and cultural Rights, including the right to adequate housing;

Whereas the enjoyment of other human rights, such as those to privacy, to freedom of movement, to freedom from discrimination, to environmental health, to security of the person, to freedom of association and equality before the law, are indispensable to the realization of the right to adequate housing;

Whereas housing organizations and stakeholders from across Canada have long advocated for the implementation of a national housing strategy;

Whereas Canada's wealth and current national budget are more than adequate to ensure that every woman, man and child residing in Canada has secure, adequate, accessible and affordable housing as part of a standard of living that will provide healthy physical, intellectual emotional, spiritual and social development and a good quality of life;

Whereas improved housing conditions are best achieved through co-operative partnerships of government and civil society and the meaningful involvement of communities;

And whereas the Parliament of Canada wishes to ensure the establishment of national goals and programs that seek to improve the quality of life for all Canadians as basic rights;

_____ (organization name) endorses the NDP's Bill for a National Housing Strategy to ensure that Canadians have secure, adequate, accessible and affordable housing, introduced to the House of Commons on February 16, 2012, by the Member of Parliament for Saint-Hyacinthe-Bagot, Marie-Claude Morin.

Date

Signature