



<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON April 2, 2012</b>
<b>FROM:</b>	<b>L. STEVENS DIRECTOR OF MUNICIPAL HOUSING COMMUNITY SERVICES DEPARTMENT</b>
<b>SUBJECT:</b>	<b>APPROVAL OF BY-LAW FOR AMENDMENT TO THE ITALIAN SENIORS PROJECT MUNICIPAL CONTRIBUTION AGREEMENT</b>

**RECOMMENDATION**

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Executive Director of Community Services, with regard to the Italian Seniors Project at 1109 Hamilton Road which was approved by Municipal Council on July 27, 2009:

- i) Schedule M – Project Information Form, **BE AMENDED** to permit a first mortgage with First National for the affordable housing project at 1109 Hamilton Road in the amount of \$2,627,310;
- ii) in accordance with Municipal Housing Facilities By-Law No A.-5814-11, the attached by-law **BE INTRODUCED** at the Municipal Council on April 10, 2012, to authorize an amending Municipal Contribution Agreement substantially in the form of an agreement appended to the by-law and to the satisfaction of the City Solicitor; and
- iii) the Mayor and the City Clerk **BE AUTHORIZED** to execute the said amending Agreement.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

Council Housing Leadership Committee

July 6, 2009 – Recommendation for Construction Ready Proposals to go forward under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension

Community and Protective Services Committee

November 16, 2009 - By-Law for Approval of Municipal Contribution Agreement Residenza Italia

**BACKGROUND**

On July 27, 2009, under the Canada-Ontario Affordable Housing Program (AHP) 2009 Extension, Request for Expressions of Interest EOI 09-11, Municipal Council approved the proposed housing development and associated program funding for following proponent:

That Italian Seniors Project receive a municipal allocation of \$15,000 per unit for fifty-two (52) AHP housing units, plus an allocation of \$5,000 per unit for 4 wheelchair accessible units, for a



total municipal allocation of \$800,000, and a federal/provincial allocation of \$113,000 per unit for the proposed project located at 1109 Hamilton Road;

Amended Schedule to the Municipal Contribution Agreement

The proponent has requested approval for an increase in the mortgage allowed under the Municipal Contribution Agreement for the affordable housing project at 1109 Hamilton Road in London. A review of a revised annual operating budget for this project indicates that an increased mortgage on the property is financial viable for this proponent. An amendment to the permitted encumbrances in the Municipal Contribution Agreement is required.

Program: Canada-Ontario Affordable Housing Program

Number of Units: 52 units  
Proponent: Italian Seniors Project  
Proponent Sector: Charitable Non-Profit

Occupancy Date: November 1, 2011  
Target Group: Seniors

Estimated Project Cost: \$8,965,640  
Actual Project Cost: Report Pending

Federal/Provincial Funding: \$6,057,500  
City Funding: \$ 800,000  
Non-Profit Equity: \$ 370,000

Mortgage Listed in  
Schedule M of the MCA: \$1,919,640  
Mortgage: \$2,627,310

Recommendation

It is recommended that Schedule M – Project Information Form, be amended to permit a first mortgage with First National for the affordable housing project at 1109 Hamilton Road in the amount of \$2,627,310.

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.

**FINANCIAL IMPACT**

The financial impacts associated with the Affordable Housing program are addressed through the municipal budget process. There are no financial impacts related to this report.



Acknowledgments

This report was prepared with the assistance of N. Watson, Housing Development Consultant and his associate Isabel da Rocha and reviewed by D. Munteer, City Solicitor's office.

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

- cc. N. Watson, Housing Development Consultant
- D. Munteer, City Solicitor's Office
- A.L. Barbon, Mgr, CS Financial & Business Services, FP & P



By-law No.

A by-law to approve an amending agreement between The Corporation of the City of London (the City) and Italian Seniors Project (the Proponent) for the purpose of establishing the Canada-Ontario 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 agreement with the Proponent for the purpose of establishing the Proponent's obligations with respect to the Canada-Ontario 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 amending agreement between the City and the Proponent for the purpose of establishing the Proponent's obligations with respect to the Canada-Ontario 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 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 –