

Bill No. 153
2012

By-law No. A.-

A by-law to approve an amending agreement between The Corporation of the City of London (the City) and SDI Builders Ltd. (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 April 10, 2012.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2012
Second Reading – April 10, 2012
Third Reading – April 10, 2012

**AMENDMENT
TO
MUNICIPAL CONTRIBUTION AGREEMENT
Canada – Ontario Affordable Housing Program (AHP) 2009 Extension
New Rental Housing Component
Direct Funding Delivery**

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON
(hereinafter called the "City")

-and-

SDI BUILDERS LTD.
(hereinafter called the "Proponent")

This Agreement made the _____ day of March, 2012.

WHEREAS:

- A. The City and the Proponent entered into an agreement on October 13, 2009 wherein the Proponent agreed to construct 20 apartments in the City of London.
- B. Schedule "G" Permitted Encumbrances indicates that all mortgages and security collateral thereto-totaling principal amounts which do not exceed the total costs of the Development Activities incurred in connection with the project in the amount of \$250,000, also described in Schedule "M".

NOW THEREFORE, the City and the Proponent agree with each other to the following Amendments to the aforementioned Agreement:

- 1. Schedule "G" Permitted Encumbrances shall be amended to state that the private first mortgage will be revised and security collateral thereto-totaling principal amounts which do not exceed the total costs of the Development Activities incurred in connection with the project in the amount of \$431,218 also described in Schedule "M" attached.

All other Terms and Conditions in the aforementioned 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

SDI BUILDERS LTD.

Robert Secco, President

I have the authority to bind the Corporation

SCHEDULE "M"

PROJECT INFORMATION FORM - Revised January 16, 2012

Canada Ontario Affordable Housing Program (AHP) 2009 Extension – New Rental Housing Component

Service Manager – City of London

Project Name: 164 Albert Street

Official Name of Proponent: Rob Secco, President

Proponent Address and Contact Information: 224 Riverside Drive, London, ON N6H 1E6

Phone: (519) 434-3325

Fax: (519) 434-1539

Email:

robsecco@sdibuilders.com

Proponent Type:

private sector municipal non-profit co-operative partnership

private non-profit, charitable corporation other

Project Information

Number of Affordable Units Created:

New Supply: Twenty (20)

Type of Construction: Apartment

Total Number of Units in Project: Twenty (20)

Client Type: Family Seniors Single Other

Supportive Units: Acquired Brain Injury (Clients of DBIS)

Anticipated First Occupancy Date: April 1, 2010

	Number of Affordable Units	Unit Sizes (m ²)	Affordable Rents
1 Bedroom Accessible	20	60m ²	\$454 (all utilities included)
Total	20		

Approvals

Date of Council Approval of Project: August 31, 2009

Date of MMAH Approval of Project: September 10, 2009

Project Funding

1. Municipal Contributions (\$580,000)	
a) AHCRF (20 units x \$15,000)	\$ 300,000
b) AHCRF Accessible (20 units x \$5,000)	\$ 100,000
c) Other	\$ 180,000
2. Contributions from other sources	
Owner Equity - 10% of total project cost (private sector)	\$ 326,090
Non-profit equity	\$
PST Rebate (Charitable Status)	\$
3. Provincial Funding	\$ 624,991
4. Federal Funding	\$1,394,991
5. Mortgage	\$ 431,218
TOTAL FUNDING AND FINANCING	\$3,357,290

Amount of New Rental Housing Funding (3+4)	\$ 2,019,982
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Total Capital Costs of Project

Soft Costs (legal, architecture, engineering, insurance, taxes, fees, etc.)	\$ 375,763
Land Costs	\$1,243,315
Construction or Hard Costs (labour, construction materials, equipment)	\$1,738,212
Total Capital Costs (AHP units only)	\$3,357,290