



AGENDA

Special Meeting of Council

June 19, 2023

9:00 am

Council Chambers, Town Hall

175 Queen Street East, St. Marys

YouTube Link - <https://www.youtube.com/channel/UCzuUpFqxcEI8OG-dOYKteFQ>

Pages

1. **CALL TO ORDER**
2. **DECLARATION OF PECUNIARY INTEREST**
3. **AMENDMENTS AND APPROVAL OF AGENDA**

RECOMMENDATION

THAT the June 19, 2023 special meeting of Council agenda be accepted as presented.

4. **SPECIAL MATTERS OF COUNCIL**

4.1 DEV 33-2023 Opening Doors to Attainable Housing – Update and Recommendations

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RECOMMENDATION

THAT DEV 33-2023 Opening Doors to Attainable Housing – Update and Recommendations report be received;

THAT the *“Update and Recommendations: Opening Doors to Attainable Housing, An Attainable Housing Action Plan for the Town of St. Marys (Feb 16, 2023)”* be accepted as presented;

THAT Council pursue a single source procurement with Habitat for Humanity Heartland Ontario as a strategic partner in exploring the use of the defined priority lands, and that Town staff report back to Council with recommended land use actions, in consultation with the strategic partner; and,

THAT Council direct Town staff to make application to the Canada Mortgage and Housing Corporation including but not limited to the Housing Accelerator Fund (HAF) program on behalf of the Town of St. Marys and report back at the earliest opportunity on any such application.

4.2 COR 38-2023 Municipal Housing Facilities By-law

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RECOMMENDATION

THAT COR 38-2023 Municipal Housing Facilities By-law report be received; and

THAT Council support, in principle, the draft Municipal Housing Facilities By-law; and

THAT Council direct staff to bring back to Council for consideration the draft Municipal Housing Facility By-law and accompanying contribution agreement template after legal counsel has performed their review.

5. CLOSED SESSION

RECOMMENDATION

THAT Council move into a session that is closed to the public at _____ am as authorized under the *Municipal Act*, Section 239(2)(c) a proposed or pending acquisition or disposition of land by the municipality or local board, and (k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

5.1 DEV 35-2023 CONFIDENTIAL Opening Doors to Attainable Housing – Surplus Land Review

6. RISE AND REPORT

RECOMMENDATION

THAT Council rise from a closed session at _____ am.

7. BY-LAWS

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RECOMMENDATION

THAT By-Law 74-2023, being a by-law to confirm the proceedings of the June 19, 2023 special meeting of Council, be read a first, second and third time; and be finally passed by Council, and signed and sealed by the Mayor and the Clerk.

8. ADJOURNMENT

RECOMMENDATION

THAT this special meeting of Council be adjourned at _____ am.

FORMAL REPORT

To: Mayor Strathdee and Members of Council

Prepared by: Mark Stone, Planner

Date of Meeting: 19 June 2023

Subject: **DEV 33-2023 Opening Doors to Attainable Housing – Update and Recommendations**

PURPOSE

The purpose of this report is to provide an update to Council regarding the Town’s Opening Doors to Attainable Housing strategy. Through this and the subsequent reports on the agenda, staff will summarize and discuss recommendations from the Town’s housing consultant intended to support the Town’s initiative of utilizing surplus municipal land for affordable and attainable housing, and other related programs.

RECOMMENDATION

THAT DEV 33-2023 Opening Doors to Attainable Housing – Update and Recommendations report be received;

THAT the *“Update and Recommendations: Opening Doors to Attainable Housing, An Attainable Housing Action Plan for the Town of St. Marys (Feb 16, 2023)”* be accepted as presented;

THAT Council pursue a single source procurement with Habitat for Humanity Heartland Ontario as a strategic partner in exploring the use of the defined priority lands, and that Town staff report back to Council with recommended land use actions, in consultation with the strategic partner; and,

THAT Council direct Town staff to make application to the Canada Mortgage and Housing Corporation including but not limited to the Housing Accelerator Fund (HAF) program on behalf of the Town of St. Marys and report back at the earliest opportunity on any such application.

BACKGROUND

Over the past several years, Council has approved a number of initiatives to advance Council’s strategic priority related to creating attainable housing in St. Marys. This has included:

- the introduction of Official Plan policies to encourage and permit more affordable and attainable housing
- amendments to the Zoning By-law to permit secondary units and to permit more efficient, cost-effective housing
- approval of a new Community Improvement Plan with financial incentives to encourage small-scale conversions of existing vacant or underutilized space for rental housing
- encouraging affordable and attainable housing through the pre-consultation and development application review process

Opening Doors to Attainable Housing

On February 16, 2023, Council received DEV 06-2023 Opening Doors to Attainable Housing report which provided an update on the hiring of Stephen Giustizia, Housing Development Consultant, to provide specific housing advice and assistance to the Town. Council accepted the “Opening Doors to Attainable Housing, An Attainable Housing Action Plan for St. Marys” (the ‘Action Plan’) presented in DEV 06-2023. A copy of DEV 06-2023 and the Action Plan can be reviewed here:

<https://calendar.townofstmarys.com/council/Detail/2023-02-16-0900-Special-Meeting-of-Council>

The Attainable Housing Implementation Plan in the Action Plan provided strategic focus areas, summarized below.

1. Local Policies

This focus area refers to the municipal planning permissions, development approvals, housing/affordable housing land use policies, programs, and other considerations.

2. Resources and Investments

These include direct loans, grants, or other direct or indirect contributions that can be established within Town policies to incent, attract, or fund specific needs related to Town strategies and plans.

3. Direct Land Considerations

The municipality retains rights related to its land holdings that are within its ownership and control for municipal services which include housing affordability. The Attainable Housing implementation team is exploring all municipal lands for potential of development. This may include uses inclusive of mixed-use developments.

4. Project Leadership

Opening Doors is focused on work that can be accommodated primarily within the existing business activities and resources of Town Staff. This will be done using a team approach as housing crosses multiple municipal service areas. The Development Team, used as a cross functional approach to the review of development applications, will be expanded and serve in a second role as the Affordable Housing Implementation Team.

At the February 16, 2023 meeting, Council also directed staff to:

- take all actions available to strongly advance attainable housing action plans with builders, developers, and partners to address housing needs in St. Marys, inclusive of all new and existing housing permit and approval processes; and
- advance actions as identified with this plan and report back on regular intervals on progress, adjustments, and land plans, municipal policies, resources and investments and overall plan management.

Attachment 1 of this report is Update and Recommendations: Opening Doors to Attainable Housing, An Attainable Housing Action Plan for the Town of St. Marys (Feb 16, 2023) (the ‘Update and Recommendations report’) prepared by Stephen Giustizia. In the Update and Recommendations report, five recommendations are presented based on priority work that has been advanced in each of the four strategic areas of *Opening Doors*. These five recommendations represent the first key actions that Council can take to support the development of affordable and attainable housing. These actions are key to supporting the Town’s initiative of utilizing surplus municipal land for affordable and attainable housing, and other related programs.

REPORT

The following discussion provides an overview of the five recommended priority actions in the attached Update and Recommendations report.

Priority Action 1: Create a Municipal Capital Facilities By-law (MCFB)

- Required to support funding and plans within the Town's Community Improvement Plan (CIP) and other future programs and initiatives, including those noted in the Update and Recommendations report.
- Allows the Town to identify affordable and attainable housing as a municipal need, and to provide incentives for the provision of this housing on Town-owned lands with non-profit and private developers.
- Incentives may include funding (grants or loans), leasing, land and property deals, and fee exemptions related to property taxes and development charges.

The Town's Housing Consultant recommends that Town Staff advance a recommendation to Council to create a MCFB. **This recommendation is discussed in COR 38-2023 that is also in the June 19, 2023 Special Meeting of Council agenda.**

Priority Action 2: Create a Template Municipal Contribution Agreement

- A contribution agreement ensures that a municipality's investments through incentives, resources, or other real or in-kind contributions is done in a confirmed exchange for affordable and attainable housing, and that any such units are built, acquired, and/or maintained as intended.
- Creating a template agreement will provide Town staff with the authority to negotiate contribution agreements.
- As noted in the Update and Recommendations report, the following details and requirements should be included in the MCFB and/or contribution agreement:
 - a) number of units, size, rental rates;
 - b) priority populations, means of access to tenancy, duration, and other criteria determined by the associated program;
 - c) consequences and remedies for non-compliance with the terms of an agreement is not upheld; and,
 - d) defining housing providers, their obligations related to accessing the programs and funding, the means of payments (if applicable), and the provisions for managing and reporting on the program, units, and tenancies over time.

The Town's Housing Consultant recommends the following:

Subject to final legal review, Council should authorize a draft affordable and attainable housing Contribution Agreement template established within Opening Doors, Town policies, and within associated budget and spending limits as part of the Municipal Capital and Facilities By-law.

Signing authorities for any specific Agreements will be established through existing policies, Staff recommendation, and Council direction, including by delegated authority where appropriate.

As a template, the Agreement could be adapted to various housing programs. Each signed Agreement will be reported to Council and the public with all associated details as part of staff update reports on Opening Doors.

These recommendations are discussed in COR 38-2023 that is also in the June 19, 2023 Special Meeting of Council agenda.

Priority Action 3: Advancing Plans on Municipal Surplus Lands

- This priority action builds on previous discussions with Council and ongoing review by Town staff with respect to opportunities for disposing or leasing of surplus or underutilized municipal land for the provision of new affordable or attainable housing.
- This review involves advancing priority sites for consideration, and advancing a partnership to explore these sites in greater detail and make applications for funding supports. These are discussed in greater detail below (Priority Actions 4 and 5).
- There are Town owned properties that have potential for development, however any discussions should remain confidential until Council makes any decisions with respect to the disposition of land.

The Town’s Housing Consultant recommends the following:

Recognizing that work continues related to future land use strategies as proposed in Opening Doors, the Housing Consultant and Staff will recommend advancing two initial priority sites, as identified in the separate in-camera report to Council, for proposed affordable and attainable housing within the partnership outlined later in this report.

Recommendations on final actions for identified priority site(s) and proposed approaches for other potential sites will be advanced to Council in Q3 2023 for further confidential discussion. No final actions related to the priority site(s) are recommended at this time.

These recommendations are discussed in a separate in-camera report to Council.

Priority Action 4: Advancing Plans on Municipal Surplus Lands

- Intent is to work with various sectors and service partners to advance affordable and attainable housing in St. Marys.
- As an initial venture into a land re-use plan, it is proposed that St. Marys establish a strategic partnership with an organization that has the capacity to advance the shared interests of the *Opening Doors* plan, as well as support the combined learnings within the process.
- In considering a single sourced strategic partnership approach, it is proposed that an initial land use partnership be formed with a non-profit housing organization. This would mitigate certain profit requirements and provide a more true cost of development. This would not limit private sector partners in the future once there is greater familiarity with local housing development costs and services. Discussions with private sector housing developers continue as part of regular pre-consultation meetings related to potential Planning Act applications.
- The overall intent of the single source approach is to advance initial discussions with a trusted and competent partner able to support and help advance land use plans in partnership with the Town of St. Marys as a proof of concept.
- Certain criteria and guiding principles were established to assess potential approaches and partners in this initiative:
 - Advancing a “Stage and Gate” Approach: allows for the project to be phased between the initial expressed interests, formal planning processes, and the final business plan approvals.
 - Experience: in developing and executing residential construction in St. Marys and/or in the geographic area.

- Leveraging Learnings: with a partner with experience in developing multiple sites and with various building typologies.
- Technical Development Experience: advantageous to have a partner with staff and resource capacity in project management (i.e. planning, development, construction, and post-development tenancy and property management).
- Ownership with Rental Capacity: focuses St. Marys resources, authority, and expertise as a single tier municipality toward land, policies, and resources to advance affordable and attainable housing as defined within the plan.
- Multi-residential/Missing Middle Housing: experience of a partner in developing soft density options aligned with priority low-and middle-income populations would assist St. Marys to advance new *Opening Doors* units.
- Familiarity and Relations with Government: to take advantage of other government programs and investments. St. Marys would benefit from a partner versed in working with local governments and especially with experience working with CMHC.
- Familiarity with Contribution Agreements: a partner with technical experience in structuring contribution agreements and program plans, working in a mutually supportive environment.
- Proof of Concept and Time Sensitivity: there are indications of government funding that will be available to assist municipalities in advancing plans to activate more housing units. These plans will be time sensitive and require a partnership ready to advance on the necessary applications.

The Town's Housing Consultant recommends the following:

Based on past practice, available opportunities, and the defined criteria noted above, Town Staff advance a recommendation to Council for a single source procurement with Habitat for Humanity Heartland Ontario as a strategic partner in exploring the use of the defined priority lands.

Future reports to Council will confirm recommended land use actions, in consultation with the strategic partner.

As noted in the Update and Recommendations report, Habitat for Humanity Heartland Ontario is the only organization known to meet all the criteria and guiding principles and has expressed an interest in working with St. Marys to advance long-term affordable and attainable housing. Habitat retains a unique model of single and multi-residential developments focused on ownership but also able to provide rental through relationships with other housing service providers.

The partnership approach with Habitat, if approved, will be anchored within a letter of understanding outlining the steps and shared interests of advancing plans related to the priority sites.

Based on the above, Town staff recommends that Council pursue a single source procurement with Habitat for Humanity Heartland Ontario as a strategic partner in exploring the use of the defined priority lands. Future reports to Council will confirm recommended land use actions, in consultation with the strategic partner.

Priority Action 5: Working with New Government Programs – Housing Accelerator Fund

- Recently, CMHC announced the Housing Accelerator Fund ('HAF'). The intention of HAF is to assist single tier municipalities (specific to smaller local governments under a population of 10,000) in advancing local housing plans.

- The HAF will provide incentive funding to local governments to remove barriers and support the development of affordable and inclusive communities. Approved applicants can use incentive funding for investments to advance housing plans and units and related infrastructure.
- The St. Marys application will focus on leveraging municipally controlled permissions and real estate as well as working with partners in establishing programs and services that are sustainable within the Town’s resources.
- The proposed priority sites and proposed partnership with Habitat will form part of the HAF application.

The Town’s Housing Consultant recommends the following:

The Chief Administrative Officer seek Council endorsement to make application to the Canada Mortgage and Housing Corporation (CMHC) including but not limited to the Housing Accelerator Fund (HAF) program on behalf of the Town of St. Marys and report back at their earliest opportunity on any such application.

As noted in the Update and Recommendations report, approval of this recommendation will allow Town staff to advance an application to the HAF program quickly upon its opening. This will mitigate potential delays, noting that CMHC has indicated the HAF application will only be opened for a limited period over the summer of 2023 on a one-time basis. All proposed initiatives to be detailed in the HAF application will come from the *Opening Doors, Attainable Housing Action Plan* and shall not commit funds beyond current budget approvals.

Based on the above, it is recommended that Council direct Town staff to make application to the Canada Mortgage and Housing Corporation including but not limited to the Housing Accelerator Fund (HAF) program on behalf of the Town of St. Marys and report back at the earliest opportunity on any such application.

FINANCIAL IMPLICATIONS

None known at this time or discussed in other reports. To be determined and reported on as initiatives and programs advance.

SUMMARY

The recommendations in this report are presented in order to continue to advance the Town’s priority initiatives with respect to affordable and attainable housing. These recommended actions are key to supporting the Town’s initiative of utilizing surplus municipal land for affordable and attainable housing, and other related programs.

STRATEGIC PLAN

- ☒ This initiative is supported by the following priorities, outcomes, and tactics in the Plan.
 - Pillar #6 Housing:
 - Outcome: Attainable & mixed-use housing
 - Tactic(s): Create direct municipal investments to assure that housing that is affordable is created in the community.
 - Pillar #6 Housing:
 - Outcome: Explore alternative forms of housing
 - Tactic(s): Review municipal policies to allow for non-traditional and alternative housing models, including accessible homes.

OTHERS CONSULTED

André Morin, Director of Corporate Services/Treasurer

Stephen Giustizia: Housing Development Consultant

ATTACHMENTS

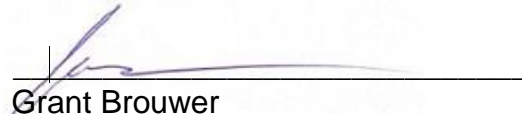
1. Update and Recommendations: Opening Doors to Attainable Housing, An Attainable Housing Action Plan for the Town of St. Marys (Feb 16, 2023)

REVIEWED BY

Recommended by the Department

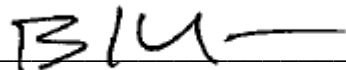


Mark Stone
Planner



Grant Brouwer
Director of Building and Development

Recommended by the CAO



Brent Kittmer
Chief Administrative Officer

**UPDATE AND RECOMMENDATIONS: *Opening Doors to Attainable Housing*
*An Attainable Housing Action Plan for the Town of St. Marys (Feb 16, 2023)***

OVERVIEW:

This report provides an update and details of five specific priority recommended actions within the *Opening Doors, An Attainable Housing Action Plan for St. Marys (Council: Feb 16, 2023)*. The priority actions and recommendations below are the subject of separate reports to Council from Town Staff, including the covering report to this update.

Appendix A (att) provides an overview and update of the *Opening Doors Action Plan* to date.

DETAILS: *OPENING DOORS* UPDATE AND RECOMMENDED ACTIONS

The following five recommendations are based on priority work that has been advanced in each of the four strategic areas of *Opening Doors*. The recommendations are as provided by the Housing Consultant to Town Staff based on work done together with them.

These initiatives represent the first actions supporting affordable and attainable housing development, and as such are partially administrative and foundational in nature.

Priority Action 1: Create a Municipal Capital Facilities By-law (MCFB) – See Separate Report

Opening Doors Ref: Strategic Area 1: Municipal Policies Action Plan Initiative 1.1

Summary: *A Municipal Capital Facilities By-law (MCFB) allows affordable and attainable housing to be negotiated as a municipal need, in accordance with the Opening Doors plan. Authority for a MCFB is provided in the Municipal Act, 2001 (Reg 603/06: "Municipal and School Capital Facilities—Agreements and Tax Exemptions". This law provides municipalities the ability to engage with non-profit and private developers, on non-municipal or municipally held sites with incentives and programs aimed to advance a need for municipal capital infrastructure – in this case affordable and attainable housing – through various programs and services.*

Examples of incentives may include funding (grants or loans), leasing, land and property deals, and fee exemptions related to property taxes and development charges. Any negotiated municipal contributions or other arrangements would be bound on title within an associated contribution agreement between the parties.

Recommendation: *Town Staff will advance a recommendation to Council to create a MCFB.*

Justification: This proposed policy is required to support funding and plans within the current Community Improvement Plan (CIP) and other future programs and initiatives, including those noted in this report.

Financial Impact: There is no financial impact related to this recommendation.

Priority Action 2: Create a Template Municipal Contribution Agreement - See Separate Report

Opening Doors Ref: Strategic Area 2: Municipal Programs/Incentives
Action Plan Initiative 2.1 and 2.3

Summary: A Contribution Agreement ensures that a municipality's investments through incentives, resources, or other real or in-kind contributions is done in a confirmed exchange for affordable and attainable housing, and that any such units are built, acquired, and/or maintained as intended. A Contribution Agreement may be part of another agreement that similarly defines the required actions and services under the housing facilities bylaw (MCFB) and ensures they are implemented.

The MCFB and associated agreement should outline the number of units, size, rental rates (at or below a housing program guideline required to justify the associated municipal contributions), priority populations, means of access to tenancy, duration, and other criteria determined by the associated program. It would also define the consequences and remedies if an agreement is not upheld. It would define the housing provider, their obligations related to accessing the programs and funding, the means of payments (if applicable), and the provisions for managing and reporting on the program, units, and tenancies over time.

A template Contribution Agreement will be provided as part of a separate report.

Recommendation: *Subject to final legal review, Council should authorize a draft affordable and attainable housing Contribution Agreement template established within Opening Doors, Town policies, and within associated budget and spending limits as part of the Municipal Capital and Facilities By-law.*

Signing authorities for any specific Agreements will be established through existing policies, Staff recommendation, and Council direction, including by delegated authority where appropriate.

As a template, the Agreement could be adapted to various housing programs. Each signed Agreement will be reported to Council and the public with all associated details as part of staff update reports on Opening Doors.

Justification: This delegation is intended for expediency to allow staff the ability to structure contribution agreements to the associated programs and site considerations. Any affordable/attainable housing programs or permissions (such as zoning considerations) would still advance through Council in the normal manner.

Financial Impact: There is no financial impact related to this recommendation.

Priority Action 3: Advancing Plans on Municipal Surplus Lands - See Separate Report

Opening Doors Ref: Strategic Area 3: Surplus Land Use Plans
Action Plan Initiative 3.1 and 3.3

Summary: Reviews continue on municipal land and other vacant/underutilized land parcels suitable for housing development in St. Marys. As this work continues, there are municipally owned properties that have increased readiness for development, including those already defined as surplus or underutilized municipal properties.

Given the nature of these sites and their potential for development, the discussion of priority sites should remain confidential until Council approvals on land actions is confirmed. The Feb 16, 2023 *Opening Doors* report noted that “Plans will advance to Council in 2023 with priority sites (in confidence) looking at options related to testing development interests and potential.”

Reviews of these and other sites included comparator sites and market information including related to institutional and other lands. The intent of these exercises was to explore and challenge the development potential of local lands within existing developed areas and to guide future land strategies within *Opening Doors* (See: Initiative 3.2).

Staff discussions of the various sites used criteria considered within planning and development related to land potential and value. These were not fixed, scored, or valuation-based criteria, but rather factors guiding Staff to help prioritize land potential. The factors included:

- **Consistency:** The ability to align potential land use and general built form concepts (eg. mid-rise multi-residential) within the existing range of dwellings and building types and within the existing or planned neighbourhood attributes.
- **Capacity:** This factor considers how well the land is currently utilized in the existing use and the capacity to add residential intensity and density. This factor also considers infrastructure capacity to service and support any such intensification and other soft infrastructure such as neighbourhood amenities, to service any proposed enhanced land use.
- **Complexity:** This factor considers the level of difficulty, time, and costs associated with readying a site for increased capacity. These matters are often highlighted within planning justification reports and may include matters such as roadway considerations or various preservation requirements and studies that can challenge the timelines of a development.

- Cooperation: This factor speaks to the potential for lands to serve multiple and complementary uses or positively influence/enhance another associated municipal uses or neighbourhood plans.
 - Compatibility: This factor more specifically considers the size and configuration of potential built forms that could be considered in advancing a regenerative or repurposed land use for affordable/attainable housing. Compatibility is also governed by planning and other land use considerations, such as permissions, easements, or land use restrictions;
- and
- Connectivity: This factor considers the attributes of strong communities related to its walkability to amenities, access to transportation, and general availability of services and supports for those in the neighbourhood or community as a whole.

(Established by London HDC staff and referred to as the Six C's),

Any one of these factors may individually pose a barrier to land reuse or repurposing for housing but it is more likely that the combined considerations would illuminate certain viable plans and sites over others - due in part to the ease and fit of a plan within the associated neighbourhood setting.

Recommendation: *Recognizing that work continues related to future land use strategies as proposed in Opening Doors, the Housing Consultant and Staff will recommend advancing two initial priority sites, as identified in the separate in-camera report to Council, for proposed affordable and attainable housing within the partnership outlined later in this report.*

Recommendations on final actions for identified priority site(s) and proposed approaches for other potential sites will be advanced to Council in Q3 2023 for further confidential discussion. No final actions related to the priority site(s) are recommended at this time.

Justification: Land use planning can be endlessly detailed. The intent of advancing priority sites for consideration will provide the motivation and momentum to also advance a partnership to explore these sites in greater detail (see below), make applications for funding supports (see below), and learn from these processes.

Financial Impact:

There is no financial direct financial impact related to this recommendation. If the priority sites are advanced, there will likely be sale municipal land considerations, including the use of or more likely the offsetting of revenues from the sale as a contribution towards affordable and attainable housing.

Using the proposed procurement approach will ensure that Council is kept apprised of all related actions and next steps in this process.

Priority Action 4: Advancing Plans on Municipal Surplus Lands - See Staff Cover Report

Opening Doors Ref: Strategic Area 3: Direct Engagement and Additional Plans
Action Plan Initiative 3.3 and 3.4

Summary: The intent of the *Opening Doors* plan is to work with various sectors and service partners to advance affordable and attainable housing in St. Marys.

When considering land use and potential transfers or repurposing of municipal land holdings, it is important that the public value of the subject sites is retained and preferably enhanced through any proposed action.

As an initial venture into a land re-use plan, it is proposed that St. Marys establish a strategic partnership with an organization that has the capacity to advance the shared interests of the *Opening Doors* plan, as well as support the combined learnings within the process.

Recommendation: *Based on past practice, available opportunities, and the defined criteria noted below, Town Staff advance a recommendation to Council for a single source procurement with Habitat for Humanity Heartland Ontario as a strategic partner in exploring the use of the defined priority lands.*

Future reports to Council will confirm recommended land use actions, in consultation with the strategic partner.

Justification: The criteria for a single sourced strategic partnership approach included the following considerations and guiding principles:

Non-profit:

It was proposed that an initial land use partnership be formed with a non-profit housing organization. This would mitigate certain profit requirements and provide a more true cost of development. This would not limit private sector partners in the future once there is greater familiarity with local housing development costs and services. Discussions with private sector housing developers continue as part of regular pre-consultation meetings.

Advancing a “Stage and Gate” Approach:

An initial partnership would benefit from a graduated process. A “stage and gate” approach to procurement allows for the project to be phased between the initial expressed interests, formal planning processes, and the final business plan approvals.

Experience:

It would be advantageous to have a partner with experience in developing and executing residential construction in St. Marys and/or in the geographic area.

Leveraging Learnings:

It would be advantageous for St. Marys to acquire a partner with experience in developing multiple sites and with various building typologies.

Technical Development Experience:

Many non-profit housing organizations specialize in tenant management but not development. It would be advantageous to have a partner with staff and resource capacity in project management. This should include planning, development, construction, and post-development tenancy and property management.

Ownership with Rental Capacity:

Opening Doors is not looking to advance deep affordable housing or housing with supports – where other government programs and agencies - including those of the Service Manager or other service sector providers - have greater knowledge and ability. These services may be achievable within a mixed-use approach, but *Opening Doors* focuses St. Marys resources, authority, and expertise as a single tier municipality toward land, policies, and resources to advance affordable and attainable housing as defined within the plan.

Multi-residential/Missing Middle Housing:

Opening Doors prioritizes housing options that address the missing middle in both built-form and tenancy/residency. The experience of a partner in developing soft density options aligned with priority low-and middle-income populations would assist St. Marys to advance new *Opening Doors* units.

Familiarity and Relations with Government:

It is anticipated that the priority sites and future prospective development plans will align and be able to take advantage of other government programs and investments. St. Marys would benefit from a partner versed in working with local governments and especially with experience working with CMHC.

Familiarity with Contribution Agreements:

It would benefit St. Marys to have a partner with technical experience in structuring contribution agreements and program plans, working in a mutually supportive environment.

Proof of Concept and Time Sensitivity:

As noted below in this report, there are indications of government funding that will be available to assist municipalities in advancing plans to activate more housing units. These plans will be time sensitive and require a partnership ready to advance on the necessary applications.

Overall:

The overall intent of the single source approach is to advance initial discussions with a trusted and competent partner able to support and help advance land use plans in partnership with the Town of St. Marys as a proof of concept.

Given the nature of this relationship, the potential costs/value considerations are not yet able to be determined as the role of the strategic partnership would include the exploration of how these sites may be best utilized.

Habitat for Humanity Heartland Ontario:

Habitat for Humanity Heartland Ontario has overseen developments in almost every part of Southwest Ontario, including within the town of St. Marys and with lands previously owned by the Town of St. Marys.

Habitat is the only organization known to meet all the desired factors. Habitat has expressed an interest in working with St. Marys to advance best practices related to municipally held lands being used for the purposes of long-term affordable and attainable housing. Habitat retains a unique model of single and multi-residential developments focused on ownership but also able to provide rental through relationships with other housing service providers.

The partnership approach with Habitat, if approved, will be anchored within a letter of understanding outlining the steps and shared interests of advancing plans related to the priority sites.

Procurement Policy:

This process adheres to St. Marys Procurement By-law No 36 (May 2012) 9.1 (vi) related to Single Source Procurement related to the cost/value efficacy and benefit to the town. Recognizing that the Procurement Policy requires updating, the function of the proposed strategic partnership is best outlined within the intended goals of this approach, noting that land disposition is generally not included within the policy (3.2).

Future updates to the Procurement Policy are already under consideration by Town Staff to better incorporate language related to strategic partnerships for municipal development. The current language supports these actions within the noted justifications and with Council concurrence.

Financial Impact: The financial impact of the proposed recommendation remains subject to further review of the associated lands and plans. The maximum impact would be the potential value of a sale of land and possible consideration for any associated municipal fees related to a future development.

These and other development costs may be offset by other government funds as noted in the next section of this report.

Priority Action 5: Working with New Government Programs – Housing Accelerator Fund

See Cover Report

Opening Doors Ref: Strategic Area 4: Housing Integration Team and Approach
Action Plan Initiative 4.2

Summary: *Opening Doors* anticipated the continued rollout of new government programs and initiatives to help advance affordable and attainable housing.

Most recently, CMHC has announced the Housing Accelerator Fund or HAF. The intention of HAF is to assist single tier municipalities in advancing on their housing plans. The intent of the HAF, specific to smaller local governments under a population of 10,000 people, will provide incentive funding to local governments to remove barriers and support the development of affordable and inclusive communities. Approved applicants can use incentive funding for investments to advance housing plans and units and related infrastructure.

Recommendation: *The Chief Administrative Officer seek Council endorsement to make application to the Canada Mortgage and Housing Corporation (CMHC) including but not limited to the Housing Accelerator Fund (HAF) program on behalf of the Town of St. Marys and report back at their earliest opportunity on any such application.*

Justification: This authority will allow staff to advance an application to the HAF program quickly upon its opening. This will mitigate potential delays, noting that CMHC has indicated the HAF application will only be opened for a limited period over the summer of 2023 on a one-time basis.

All proposed initiatives to be detailed in the HAF application will come from the *Opening Doors, Attainable Housing Action Plan* and shall not commit funds beyond current budget approvals.

Town Staff will meet with CMHC to prepare for the HAF application. This will include a review of measures and metrics associated with local housing needs and plans as outlined in *Opening Doors*. Additional details related to HAF will be provided to Council as they are received.

The St. Marys application will focus on leveraging municipally controlled permissions and real estate as well as working with partners in establishing programs and services that are sustainable within the Town's resources.

The proposed priority sites and partnership with Habitat will form part of the HAF application.

Appendix A: Opening Doors Action Plan Update (Feb 2023 to Present)

This update on the *Opening Doors, An Attainable Housing Action Plan for St. Marys* (Feb 16, 2023) provides a high-level overview of actions being taken on all initiatives advanced to Q2, 2023:

Strategic Area 1: Municipal Policies Supporting Attainable Housing			
Initiative	Actions and Next Steps	Timeline	Update
1.1 Municipal Facilities Capital By-law for Housing	Allows incentives and negotiations for units considered as “municipal facilities” based on local needs.	Q2 Complete	Included in this report
1.2 Review of best practices and response to Bill 23	Discussions with other municipalities in Ontario specifically related to tools to advance affordability	Q4 Report	Ongoing and awaiting provincial regulations.
1.3 Surplus Land Policy Update	To be updated for greater range of options and directions related to surplus, strategic, or held lands with development potential.	Q3	Included in this report and subject to future report
1.4 Preventative Policy Review	A review of policies and directions geared to helping retain current affordable units in St. Marys.	Q3	Pending This will be aided by other municipal best practice review.
1.5 Review Procurement Policy	Policy updates to allow for strategic/ innovative initiatives incl. for municipal lands.	Q3	Specific reviews completed and recommendation included in this report. Future changes pending.
Strategic Area 2: Municipal Programs and Incentives Supporting Attainable Housing			
2.1 Review of existing tools and incentives incl. CIP and Ancillary/Additional Units	Assembly and review of all “tools” (permissions and incentives) provided by St. Marys to advance attainable housing	Q4 2023 and 2024	Initiated
2.2 Review and training on all CMHC and SM funding programs and incentives	Engagement of CMHC and SM to promote projects incl. those that take advantage of stacked/layered funding (for deeper affordability, efficiency, or more units)	Q3	Initial meeting with CMHC. Ongoing
2.3 Monetizing Municipal Services and Expedited Practices	Allows municipal services and staff resources dedicated to supporting attainable housing to be monetized as a contribution to projects	Q2	Subject to CMHC applications and specific projects. Approach has been discussed. (Likely in Q3)
Strategic Area 3: Municipal Land Plans Supporting Attainable Housing			
3.1 Surplus Land Use Plans	Identification of all surplus municipally owned lands and potential for alternative use (See 1.1)	End of Q2	Initial recommendations part of this report.
3.2 Sale of Land and Revenue Strategy	Establishing an interest-bearing reserve fund to support potential strategic land acquisition or assembly (See 1,1 and 3.1)	Q3	To be aided by other municipal best practice review.
3.3 Strategic Land Plan	Engagements (and where possible and appropriate acquisitions) related to strategic lands that may have attainable housing potential.	2024 and ongoing	Acquisition Strategy Pending This report includes pilot initiative
3.4 Engaging Developers	Exploring underutilized land use plans (maximizing permissions)	Ongoing	Ongoing with developers (as per Council Direction of Feb 2023)

Strategic Area 4: Housing Integration Team and Backbone Administration			
Initiative	Actions and Next Steps	Timeline	Update
4.1 Improved data and metrics related to attainable housing goals	Discussions with other municipalities in Ontario specifically related to tools to advance affordability.	Ongoing Q4 Report	This work has been ongoing by staff and the consultant.
4.2 Impact analysis and recommended advocacy measures related to new government programs and regulations.	Immediate reporting on new info related to regs for Bill 23 as available. Review of all CMHC affordable housing programs	Underway Ongoing and ASAP	Town Staff have engaged CMHC in Attainable Housing plans. Municipal best practices will change once regulations associated with Bill 23 are publicly available. Underway (This report)
4.3 Working with consultant to establish a semi-annual reporting process aimed at engagement, training and ongoing planning by Staff and Council.	As part of the ongoing work, Council will be updated twice each year on activities related to the attainable housing plan	Q3	Underway (This report)
4.4 Cross functional staff training (Town and ABC and strategic partners)	Establishing a common understanding across Town Staff related to all development plans	Underway and Ongoing	Part of internal meetings and developer meetings as per Council Direction (Feb 2023)
4.5 Communications Plans	Targeted discussions and briefing notes for specific service areas, other ABCs, governments, and networks	Q4 and beyond	Pending
4.6 Overall Plan Management and Leadership	Under the stewardship of the CAO, each policy and initiative will be advanced by a senior director through interdepartmental teams.	Underway	Team approach is in use.
Others subject to ongoing review	At present, the Attainable Housing plan is based on existing municipal allocations and resources. This will continue to be monitored.	Q4 report and future reports	Matters related to resourcing allocations and needs will be part of existing Town processes

FORMAL REPORT

To: Mayor Strathdee and Members of Council

Prepared by: André Morin, Director of Corporate Services / Treasurer

Date of Meeting: 19 June 2023

Subject: **COR 38-2023 Municipal Housing Facilities By-law**

PURPOSE

To provide Council with draft versions of a Municipal Housing Facilities By-law and a draft templated contribution agreement that is authorized by the by-law. These are necessary tools to allow the Town to partner with developers to create attainable housing units.

If Council is supportive of these tools, staff are seeking direction to bring forward in the near future a final Municipal Housing Facilities By-law for Council consideration, along with accompanying contribution agreement template, after legal review has been completed.

RECOMMENDATION

THAT COR 38-2023 Municipal Housing Facilities By-law report be received; and

THAT Council support, in principle, the draft Municipal Housing Facilities By-law; and

THAT Council direct staff to bring back to Council for consideration the draft Municipal Housing Facility By-law and accompanying contribution agreement template after legal counsel has performed their review.

BACKGROUND

The Town of St. Marys adopted the “Opening Doors to Attainable Housing, An Attainable Housing Action Plan for St. Marys” at the Special Council meeting held on February 16, 2023. The following resolution passed:

THAT DEV 06-2023 Opening Doors to Attainable Housing report be received; and

THAT the “*Opening Doors to Attainable Housing, An Attainable Housing Action Plan for St. Marys*” be accepted as presented;

THAT in the event of a conflict with previous reports, Town Staff be directed to action targets, initiatives, and priorities as defined within the *Opening Doors, An Attainable Housing Action Plan for St. Marys*;

THAT staff be directed to take all actions available to strongly advance attainable housing action plans with builders, developers, and partners to address housing needs in St. Marys, inclusive of all new and existing housing permit and approval processes; and

THAT staff be directed to advance actions as identified with this plan and report back on regular intervals on progress, adjustments, and land plans, municipal policies, resources and investments and overall plan management.

This report brings forward an action item related to priority area #1 in the plan. Attached to this report is a Municipal Capital Facilities By-Law (MFCB) for housing, and the associated contribution agreement.

REPORT

Details related to local housing needs are outlined within the Opening Doors to Attainable Housing plan (February 2023 and as may be amended from time to time) as well as the Council endorsed Strategic Plan and Official Plan.

Within the housing plan, Council has set out a priority to partner with developers to create attainable housing. However, the *Municipal Act* restricts municipalities from providing assistance directly or indirectly to any industrial or commercial enterprise – this is often referred to as “bonusing”. Specifically, s. 106 (2) of the *Municipal Act*, 2001 states the following:

- (2) Without limiting subsection (1), the municipality shall not grant assistance by,
 - (a) giving or lending any property of the municipality, including money;
 - (b) guaranteeing borrowing;
 - (c) leasing or selling any property of the municipality at below fair market value; or
 - (d) giving a total or partial exemption from any levy, charge or fee. 2001, c. 25, s. 106 (2).

Despite S. 106, S. 110 of the *Municipal Act* provides exceptions for “agreements for municipal capital facilities”. The Town can enter into a capital facility agreement whereby the facility falls within one of the following classes:

1. Facilities used by the council.
2. Facilities used for the general administration of the municipality.
3. Municipal roads, highways and bridges.
4. Municipal local improvements and public utilities.
 - 4.1 Municipal facilities for the generation of electricity.
5. Municipal facilities related to the provision of telecommunications, transit and transportation systems.
6. Municipal facilities for water, sewers, sewage, drainage and flood control.
7. Municipal facilities for the collection and management of waste and garbage.
8. Municipal facilities related to policing, fire-fighting and by-law enforcement.
9. Municipal facilities for the protection, regulation and control of animals.
10. Municipal facilities related to the provision of social and health services, including *long-term care homes under Part IX of the Fixing Long-Term Care Act, 2021*.
11. Municipal facilities for public libraries.
12. Municipal facilities that combine the facilities described in paragraphs 1 to 11.
13. Parking facilities ancillary to facilities described in any of paragraphs 1 to 12.
14. Municipal community centres.
15. Parking facilities ancillary to facilities described in paragraph 14.
16. Municipal facilities used for cultural, recreational or tourist purposes.
17. Municipal general parking facilities and parking facilities ancillary to facilities described in paragraph 16.

18. Municipal housing project facilities

Based on the above authorities, where a municipality has a need for a municipal service, including those which may be created, owned, or operated by and/or from any third-party agent other than the municipality, it can enter into an agreement to provide for these defined services by others as a municipal service. In this case, municipal housing.

Municipal Capital Facility By-Law:

A Municipal Housing Facilities By-Law is intended to reflect Council's adoption and application of the *Municipal Act* permissions and authorities supporting affordable and attainable housing programs, negotiations, incentives, and direct or in-kind contributions, noting that these plans are required to address a municipally defined capital need for housing.

The MFCB allows affordable and attainable housing to be negotiated as a municipal need, in accordance with the Opening Doors plan. Authority for a MFCB is provided in the Municipal Act, 2001 (Reg 603/06: "Municipal and School Capital Facilities—Agreements and Tax Exemptions").

This law provides municipalities the ability to engage with non-profit and private developers, on non-municipal or municipally held sites with incentives and programs aimed to advance a need for municipal capital infrastructure – in this case affordable and attainable housing – through various programs and services. Examples of incentives may include funding (grants or loans), leasing, land and property deals, and fee exemptions related to property taxes and development charges. Any negotiated municipal contributions or other arrangements would be bound on title within an associated contribution agreement between the parties.

The Municipal Act sets out that under the terms of a by-law and an associated facilities agreement (Contribution Agreement), the Town **may** provide the following types of assistance:

- Lease payment in foreign currencies;
- Giving or lending money and charging interest;
- Giving, lending, leasing, or selling property;
- Providing the services of employees of the municipality;
- Exempt all or part of taxes levied for municipal and school purposes for which land on which municipal capital facilities are or will be located;
- Exempt all or part of development charges which land on which municipal capital facilities are or will be located.

In relation to Municipal Housing facilities, the following is required:

(a) before the by-law authorizing the agreement is enacted, the municipality has enacted a ***municipal housing facility by-law*** that complies with subsection (2); and

(b) the municipality has determined that all the housing units to be provided as part of the municipal capital facilities fall within the definition of "affordable housing" contained in the municipal housing facility by-law;

Further, a municipal housing facility by-law must include the following:

1. A definition of "affordable housing".
2. Policies regarding public eligibility for the housing units to be provided as part of the municipal capital facilities.
3. A summary of the provisions that agreements respecting municipal capital facilities described in paragraph 18 of subsection 2 (1) are required to contain.

In order for the Town to enter into an agreement with a partner or partners to provide affordable housing, the Town needs to have a Municipal Housing Facility by-law in effect. The attached MFCB reflects a transparent statement by Council to authorize current and future programs and site-specific negotiations that may be conducted by or on behalf of the Town with third-party developers related to creating more affordable and attainable housing stock.

The important elements of the draft by-law include:

Definition of “Affordable Housing”:

For the purposes of this by-law, attainable and affordable housing shall be considered based on definitions and local needs defined within the *Opening Doors to Attainable Housing Action Plan* (Feb 2023), the Official Plan, or through provincial and federal programs that provide specific definitions of these terms within their regulation or program definitions and goals. These include but are not limited to definitions provided within the *Ontario Planning Act*, RSO 1990, the *Ontario Housing Services Act* (2010), or under programs and services offered through the federal government, including those by the Canada Mortgage and Housing Corporation (CMHC).

If not otherwise stated, the definition of affordable housing shall default to the current CMHC definitions and rates that generally establish affordability as housing and other shelter that cost less than 30% of the average gross income of a household or designated population. As an alternative statement, CMHC considers housing to be affordable when a household spends less than 30% of its pre-tax income on adequate shelter. Households that spend more than 30% of their gross income on shelter are deemed to be in housing need. These definitions and the application of this by-law on a housing unit remain subject to confirmation by Town staff.

Policies Regarding Public Eligibility:

- Affordable housing units to be provided as part of the Municipal Housing Facility shall be made available to eligible individuals and families in the general public within a process of available and accessible eligibility rules and application process.
- Any unit within a property that is not established within a capital funding agreement as being affordable in accordance with the definition (such as other units which may be rented or sold at market rates) shall not be considered as municipal facilities and shall not be eligible for considerations under this bylaw and shall not be considered for exemptions or other conditions made available through this bylaw.
- Individuals or families must be determined eligible for initial unit occupancy through a process that considers rental costs at or below 30% of the gross family unit income at the time of first occupancy or through a fair practice and process approved by the Municipality.
- Failure to follow the conditions of this agreement due to error or omission shall extend the term of the agreement for the period that the rents or tenancies were not provided in accordance with this agreement. In addition, costs and services shall not be exempted for any unit or period that does not comply with the facilities agreement.

Contribution Agreement:

The MCFB is what enables the Town to negotiate with and incentivize attainable housing projects. A contribution agreement is the tool that documents and binds the developer to those items that have been negotiated.

The contribution agreement ensures that a municipality’s investments through incentives, resources, or other real or in-kind contributions is done in a confirmed exchange for affordable and attainable housing, and that any such units are built, acquired, and/or maintained as intended. A contribution

Agreement may be part of another agreement that similarly defines the required actions and services under the housing facilities bylaw (MCFB) and ensures they are implemented.

The MCFB and associated agreement should outline the number of units, size, rental rates (at or below a housing program guideline required to justify the associated municipal contributions), priority populations, means of access to tenancy, duration, and other criteria determined by the associated program. The agreement would also define the consequences and remedies if an agreement is not upheld. It would define the housing provider, their obligations related to accessing the programs and funding, the means of payments (if applicable), and the provisions for managing and reporting on the program, units, and tenancies over time.

The attached template Contribution Agreement (Appendix 2), defined within the By-law as a “facilities agreement”, will be used by Town staff subject to specific attainable and affordable housing programs and negotiations. The template would need to be modified to reference the specific program, provider, site, units, and other applicable terms, details, and conditions as noted below. The contribution agreements would be brought forward to Council for final approval and authorization.

Provisions that will be contained within the agreements:

- a. The term of the associated agreement
- b. Each unit and unit descriptions of the agreement
- c. Confirmation of all applicable definitions including those related to Affordable Unit, Affordable Housing;
- d. All other provisions set out under this by-law
- e. The process by which units subject to the Agreement shall not be rented by the Housing Provider to the provider, owner, shareholders, directors of the Housing Provider, or any individual not at arm's length to the Housing Provider/owner, or shareholders or directors of the Housing Provider except where the associated role is defined as a function of managing the building and does not predate occupancy (eg. a tenant representative or building agent) noting income and any other requirements must still apply
- f. The Municipal Housing Facilities Agreement shall be binding on the Housing Provider's heirs, successors and assigns; that during the term of the Municipal Housing Facilities Agreement, the Housing Provider shall, as a condition precedent to a sale to a subsequent purchaser, require the subsequent purchaser to enter into an agreement with the Town or Crown
- g. Process for assuming the Municipal Housing Facilities Agreement where it is subject to a transfer of ownership or title or the temporary postponement of registry on title
- h. Indemnification of the Town
- i. The list of the benefits being conveyed to the Housing Provider under this bylaw, including their estimated present day monetary value; costs of services in kind, costs associated with exempted fees or taxes
- j. Remedies and penalties that must be enacted if the Housing Provider does not carry out obligations under the agreement, including the ability of the Town to demand pay to the Town the entire amount of benefits conveyed under the agreement, together with any applicable costs and interest;
- k. Any other contractual provisions which are required to be inserted based on fundamental contractual drafting principles;
- l. The number of housing units being provided;
- m. Provisions regarding rent increases;

- n. The conditions attached to the financial or other assistance given to the Housing Provider; that the Housing Provider shall submit required supporting documentation and report annually to the satisfaction of the Town or other Crown program.

FINANCIAL IMPLICATIONS

The financial implications will be defined as housing programs are adopted by Council, as funding allocations are established, and/or as Agreements are negotiated with third party providers through these mechanisms. Incentives may include but are not limited to:

- Full or partial value of Town owned lands provided for development.
- Full or partial exemption of property taxes.
- Full or partial exemption of development charges.
- Rebate of applicable building, planning or other fees.
- Value of Town staff time.
- Any such program and allocation approved by Council to incent specific forms of affordable and attainable housing.

SUMMARY

The MCFB is not a new approach to the Town. An example of a similar such by-law and agreement is in place between the Town of St. Marys and the Canadian Baseball Hall of Fame and Museum (St. Marys) Inc. as authorized under s. 110 of the *Municipal Act, 2001*. (16. Municipal facilities used for cultural, recreational or tourist purposes.)

For housing, the intent is that the by-law should precede and not be specific to any one housing program or negotiation but generally authorize and apply to agreements made within Council and staff authority.

The draft Municipal Housing Facilities by-law establishes the opportunity for Council to enter into a capital facilities agreement or contribution agreement with housing providers and/or partners.

Staff have sent both the draft by-law and draft contribution agreement to legal counsel for review; a recommendation for adoption will be brought forward with any comments or changes from the legal review and considerations from any further Council direction.

The recommended actions reflect staff efforts to advance on the Opening Doors action plan, starting with foundational administrative policies and tools. Further updating on applicable programs and other actions will be advanced as part of the regular Opening Doors updates.

STRATEGIC PLAN

- Housing
 - Attainable & mixed-use housing
 - Seek public-private partnership models
 - Prioritize Town-owned property assets

OTHERS CONSULTED

Stephen Giustizia, Housing Development Coaching and Consulting

Grant Brouwer, Director of Building and Development

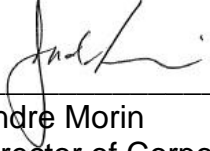
Mark Stone, Planner

ATTACHMENTS

Municipal Capital Facilities By-law (MCFB) for Housing
Template MCFB Housing "Contribution Agreement"

REVIEWED BY

Recommended by:



Andre Morin
Director of Corporate Services/Treasurer

Recommended by the CAO



Brent Kittmer
Chief Administrative Officer

BY-LAW XX-2023

THE CORPORATION OF THE TOWN OF ST. MARYS

Being a By-law to provide for Municipal Housing Facilities

Whereas Section 110 of the Municipal Act 2001, as amended, (the “Act”), authorizes municipalities to enter into agreements for the provision of municipal capital facilities by any person, including another municipality; and

Whereas under Section 2 Ontario Regulation 603/06 made under the Municipal Act, “Municipal Housing Project Facilities” is a class of municipal capital facilities for the provision of which Municipalities may enter into such agreements and for which assistance may be provided under Section 3 of the said Regulation; and

Whereas under Section 7 of the said Regulation 603/06 a municipality may enter into agreements respecting Municipal Housing Project Facilities if only it has enacted a Municipal Housing Facilities By-law complying with the requirements set out in said regulation; and

Whereas Council wishes to encourage, promote, and assist in the provision of Affordable Housing in the Town of St. Marys; and

Whereas the Municipal Council of The Corporation of the Town of St. Marys is of the opinion that making use of section 110 of the *Municipal Act* is a desirable means of increasing the supply of affordable housing by providing financial or other assistance at less than fair market value to private and non-profit housing providers on the criteria set out in this By-law;

Now Therefore, the Town of St. Marys enacts as follows:

1. Definitions: In this By-law,

“Act” means the Municipal Act, 2001, S.O. 2001, c. 25, as amended, and the Regulations thereunder;

“Affordable Housing” means affordable housing as set out in section 2 of this By-law;

“CAO” means the Chief Administrative Officer of the Corporation of the Town of St. Marys;

“Clerk” means the Clerk of the Corporation of the Town of St. Marys;

“CHMC” means the Canada Mortgage and Housing Corporation;

“Council” means the Council of The Corporation of the Town of St. Marys;

“Household Income” means the gross annual income from all sources of all persons who reside in a housing unit, or intend to reside in a housing unit;

“Housing Provider” means a person or entity with whom the Town has entered into or will enter into a municipal housing project facilities agreement with;

“Municipal Housing Project Facilities” means the class of municipal capital facilities, as prescribed by paragraph 18 of Subsection 2 of Ontario Regulation 603/06, as amended;

“Municipal Housing Facilities Agreement” means an agreement authorized under Section 2 of Ontario Regulation 603/06, as amended;

“Municipal Housing Facilities By-law” means a by-law enacted by Council pursuant to Section 7 of Ontario Regulation 603/06, as amended, and includes this By-law;

“Proponent” means a person or corporation (private or non-profit) including another municipality with whom the Town has entered into or may enter into a Municipal Housing Facilities Agreement under Section 2 of this By-law;

“Rent” means the amount charged for accommodation in a housing unit in accordance with the Residential Tenancies Act, 2006 or other applicable agreement or law and shall mean the same thing as a housing charge under the Co-operative Corporations Act;

“Town” means the Corporation of the Town of St. Marys;

“Unit” or “Housing Unit” means a dwelling that is rented or owned by the occupant as residential accommodation and includes a dwelling that is a single room.

2. For the purposes of this by-law attainable and affordable housing shall be considered based on definitions and local needs defined within the Opening Doors to Attainable Housing Action Plan (Feb 2023 and as amended or superseded), the Official Plan, or through provincial and federal programs that provide specific definitions of these terms within their regulation or program definitions and goals. These include but are not limited to definitions provided within the Ontario Planning Act RSO 1990, the Ontario Housing Services Act (2010), or under programs and services offered through the federal government, including those by the Canada Mortgage and Housing Corporation (CMHC).

If not otherwise stated, the definition of affordable housing shall default to the current CMHC definitions and rates that generally establish affordability as housing and other shelter that cost less than 30% of the average gross income of a household or designated population. As an alternative statement, CMHC considers housing to be affordable when a household spends less than 30% of its pre-tax income on adequate shelter. Households that spend more than 30% of their gross income on shelter are deemed to be in housing need. These definitions and the application of this by-law on a housing unit remain subject to confirmation by town staff.

Attainable housing shall not exceed housing market median rental and homeownership values, as defined by CMHC, as determined at the completion of construction and occupancy readiness of the unit(s).

3. Affordable housing units to be provided as part of the Municipal Housing Facility shall be made available to eligible individuals and families in the general public within a process of available and accessible eligibility rules and application process and shall remain subject to the confirmation of Town staff.

Attainable housing, that is units created beyond the normal or planned capacity of a development for the purposes of enhancing housing stock availability within the needs of the Town of St. Marys and Opening Doors to Attainable Housing Action Plan (Feb 2023 and as amended or superseded) may be rented without a defined process if not otherwise incented for affordability.

4. Any unit within a property that is not established within a capital funding agreement as being affordable in accordance with the definition (such as other units which may be rented or sold at market rates) shall not be considered as municipal facilities and shall not be eligible for considerations under this by-law and shall not be considered for exemptions or other conditions made available through this by-law.
5. Individuals or families must be determined eligible for initial unit occupancy through a process that considers rental costs at or below 30% of the gross family unit income at the time of first occupancy or through a fair practice and process approved by the Municipality.
6. Failure to follow the conditions of this agreement due to error or omission shall extend the term of the agreement for the period that the rents or tenancies were not provided in accordance with this agreement. In addition, costs and services shall not be exempted for any unit or period that does not comply with the facilities agreement.
7. A Municipal Housing Facilities Agreement shall contain, but shall not be limited to, the following provisions:
 - a. The term of the associated agreement
 - b. Each unit(s) and related descriptions within the agreement
 - c. Confirmation of all applicable definitions including those related to Affordable Unit, Affordable Housing;
 - d. All other provisions set out under this By-law
 - e. The process by which units subject to the Agreement shall not be rented by the Housing Provider to the provider, owner, shareholders, directors of the Housing Provider, or any individual not at arm's length to the Housing Provider/owner, or shareholders or directors of the Housing Provider except where the associated role is defined as a function of managing the building and does not predate occupancy (eg..a tenant representative or building agent) noting income and any other requirements must still apply
 - f. the Municipal Housing Facilities Agreement shall be binding on the Housing Provider's heirs, successors and assigns; that during the term of the Municipal Housing Facilities Agreement, the Housing Provider shall, as a condition precedent to a sale to a subsequent purchaser, require the subsequent purchaser to enter into an agreement with the town or Crown

- g. process for assuming the Municipal Housing Facilities Agreement where it is subject to a transfer of ownership or title or the temporary postponement of registry on title
 - h. indemnification of the Town
 - i. the list of the benefits being conveyed to the Housing Provider under this By-law, including their estimated present day monetary value; costs of services in kind, costs associated with exempted fees or taxes,
 - j. remedies and penalties that must be enacted if the Housing Provider does not carry out obligations under the agreement, including the ability of the town to demand pay to the town the entire amount of benefits conveyed under the agreement, together with any applicable costs and interest;
 - k. any other contractual provisions which are required to be inserted based on fundamental contractual drafting principles;
 - l. the number of housing units being provided;
 - m. provisions regarding rent increases; and
 - n. the conditions attached to the financial or other assistance given to the Housing Provider; that the Housing Provider shall submit required supporting documentation and report annually to the satisfaction of the town or other Crown program
8. A Municipal Housing Facilities Agreement may provide for one or more of the following:
- a. Assistance as provided for in subsection 110(3) of the Municipal Act, 2001 including real and in-kind contributions or offsetting of municipal fees related to development;
 - b. Tax exemptions as provided for in subsection 110(6) of the Municipal Act, 2001; or
 - c. Development charge exemptions as provided for in subsection 110(7) of the Municipal Act, 2001.
9. This by-law may be cited as the Municipal Housing Facilities By-law (MHFB).
10. This by-law shall come into force and take effect upon its passing.

**TOWN OF ST. MARYS FINAL DRAFT
 ATTAINABLE AND AFFORDABLE HOUSING PLAN
 CONTRIBUTION AGREEMENT**

**THIS IS A SAMPLE
 TEMPLATE OF A
 CONTRIBUTION AGREEMENT**

Actual agreements shall be modified to align with the associated housing program, funding, and other criteria.

Policy:

- Community Improvement Plan _____
- Other Negotiated: _____
-

Program:

- Conversion of Existing Non-Residential Space to New Rental Unit(s)
- New Ancillary/Additional Rental Unit(s)
- Make Existing Unit Legal/Conforming Additional Rental Unit
-

AGREEMENT PARTIES:

This Agreement is made between:

THE CORPORATION OF THE TOWN OF ST. MARYS (the "Town")
 OF THE FIRST PART:

-AND-

PROPONENT NAME (the "Proponent")
 OF THE SECOND PART
 as Owner of the Subject Property and
 borrower of the Loan within this Contribution Agreement

DATED this

_____ of _____, 20____
 Day Month Yr

INDEX: Documents Constituting this Contribution Agreement

- | | | |
|--------------------------|---|-------------------|
| <input type="checkbox"/> | Main Contribution Agreement - Below. | |
| <input type="checkbox"/> | Schedule A of Main Agreement – Reporting Form | Schedule A |
| <input type="checkbox"/> | Other Schedules as required | |
| <input type="checkbox"/> | Program Description: XXX Attainable Housing Program, Town of St. Marys (Dated:XXXXX) | App. _ |
| <input type="checkbox"/> | Proponent Application: Dated (XXXX) | App. _ |
| <input type="checkbox"/> | Conditional Letter of Approval Issued by Town of St. Marys (DatedXXXXXX) | App. _ |
| <input type="checkbox"/> | Legal Title including Map | App. _ |
| <input type="checkbox"/> | Prescribed Work: Summary of Work | App. _ |
| <input type="checkbox"/> | Details Regarding Registration on Title | App. _ |
| <input type="checkbox"/> | Other | |

WHEREAS The Municipal Housing Facilities By-Law (By-Law XXX) permits the Town to provide loans or grants to a St. Marys' Property Owner (Proponent) under terms and conditions that may include the total repayment of the debt plus interest to the Town or the partial or total forgiveness of the principle and interest of the loan as provided for in a Contribution Agreement between the Town and the Proponent that conforms to the By-Law, its Regulations, the Municipal Capital Facilities provisions of the Municipal Act;

AND WHEREAS the Proponent, as the borrower in this Contribution Agreement ("Agreement") has made application and been approved by the Town to receive a (GRANT/LOAN) as defined within this Agreement, to be paid as outlined within this Agreement, and is made in exchange for the provision of affordable/attainable rental housing unit(s) as defined within this Agreement;

AND WHEREAS the Town has agreed to grant a forgivable loan to be earned over the term of this Agreement, provided that the Proponent complies with terms and conditions in this Agreement;

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

1. Definitions and Common Terms:

For the purposes of this Agreement the following terms shall have the definitions assigned to them below:

1.1 Agreement: Means this Contribution Agreement and all Schedules and Appendices Attached hereto.

1.2 Laws Means all applicable provincial laws and municipal bylaws or other required permissions or approvals which must be observed or complied with.

NOTE:

This section is subject to the requirement of municipal contributions, investments, and associated rules/laws.

Any applicable law shall be considered to be inclusive of successor legislation or law. Adherence to all other applicable municipal by-laws, provincial laws, statutes or regulations shall be complied with unless otherwise stated. This includes but is not limited to the Residential Tenancies Act (RTA), RSO 2006 and tenant rental rates which shall be prescribed within this Contribution Agreement, in accordance with the exemptions permitted in RTA S. 6.1.

1.3 Prescribed Work: Means the specific site and construction activities required to convert, create/construct, or rehabilitate the Subject Property to accommodate the rental units as described in **Appendix XXX.**

1.4 Subject Property: Means the lands described in **Appendix XXX**, being the property that will be the location of the Prescribed Work. For the purposes of this Agreement, the Subject Property is: known municipally as: **XXX** (Eg. 123 Main Ave. St. Marys Ontario, N2N2N2)

1.5 Subject Unit(s) Means affordable/attainable rental residential housing Unit advanced within the St. Marys Attainable Housing Program at the Subject Property by way of new construction of a Unit (such as by ancillary or additional rental housing), the conversion of non-residential space to residential housing unit(s) subject Applicable Laws, and/or the approved renovation of existing non-conforming residential unit(s) to legally conforming, as approved by the Town.

Subject Units may exclude other existing residential housing units on the Subject Property that do not form part of this Agreement. Any such other units shall remain subject to legal considerations on title that are applicable to the whole of the property. Subject Units, hereafter "Unit(s)" approved by the Town to be part of this Contribution Agreement are described in **Appendix XXX**

2. PRECONDITIONS OF AGREEMENT:

The obligations of the Town contained in this Agreement, including but not limited to the payment of the loan amount are subject to the following preconditions:

1. The Proponent is confirmed as the registered Owner of the Subject Property and borrower within this Agreement;
2. The Application for XXXX Program is Complete;
3. The Proponent has received confirmation letter of the Agreement **Appendix XXX;**
4. The Prescribed Work has not been initiated;
5. The project is compliant to existing zoning;
6. The Town has completed building condition reviews to confirm any Prescribed Work on a Unit not currently legally conforming meets the program definition (if applicable);
7. The Town has approved the design and proposed plans required to issue a Building Permit and all required documents are in order; and
8. The Proponent is not in default of any payment owed to the Town including but not limited to municipal taxes owing on the Subject Property

3. CONTRIBUTION DETAILS: **APPENDIX XXX**

A. FORGIVABLE LOAN (IF APPLICABLE)

In consideration of the Proponent adding x UNITS as per Schedule/Appendix XXX, the Town agrees to grant to the Proponent as borrower in this Contribution Agreement a loan in the amount of:

\$_____ of xx hundred and xxx thousand, xxx hundred xxx dollars (\$XXX,XXX)

which shall remain in full as a debt to the Town that will be fully forgiven on the last day of the month at the end of the term of the Loan, provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.

The full value of the loan and any interest charges shall be secured by a Charge registered on title to the Subject Property until the last day of the month at the end of the term of the Loan as noted above.

The Term of the Loan, may be extended due to vacancy extensions, other remedies, or as negotiated between the Parties.

B. PAYMENT OF LOAN (Included and adapted as required by the associated program)

(1) Payments made as In-Kind / Exclusion of Municipal Fees and Services

- i) Fee/Service: _____
Normal Charge: \$ _____
Revised Charge: \$ _____
Proponent Benefit / In-Kind Contribution: \$ _____

Anticipated Date of In-Kind Contribution:

ii) Fee/Service: _____
Normal Charge: \$ _____
Revised Charge: \$ _____
Proponent Benefit / In-Kind Contribution: \$ _____
Anticipated Date of In-Kind Contribution:

iii) Fee/Service: _____
Normal Charge: \$ _____
Revised Charge: \$ _____
Proponent Benefit / In-Kind Contribution: \$ _____
Anticipated Date of In-Kind Contribution:

TOTAL IN-KIND CONTRIBUTION to be considered
as part of the forgivable loan to the Proponent: \$ _____

(2) Payments made as Direct Contributions to the Proponent:

(Sample progress stages)

i) At Initial/First Permit: \$ _____
ii) At Start of Construction: \$ _____
iii) At Unit Occupancy \$ _____
TOTAL Direct Contributions to the Proponent: \$ _____

(3) TOTAL OF ALL CONTRIBUTIONS, Direct and In-Kind: \$ _____

The Total of All Contributions shall be considered the Total Loan Amount made by the Town of St. Marys for the purposes of this Agreement.

4.0 INTEREST AND FORGIVENESS DETAILS

4.1 Total Loan Amount and Interest During Construction Period Prior to Occupancy

- a) Prior to the earlier of either the Interest Adjustment Date (to be defined within the program if applicable) or Unit Occupancy, interest shall accrue on the Total Loan Amount, at the rate of **eight per cent (8%) per annum.**
- b) The interest so calculated shall compound semi-annually, not in advance, until the Interest Adjustment Date or Unit Occupancy, whichever shall first occur.

4.2 Total Loan Amount and Interest During Affordability Term

- a) The Term of this Agreement shall commence upon the Occupancy of all Subject Units and is conditional upon Program compliance.
- b) On the earlier of either the Interest Adjustment Date or Unit Occupancy, the accrued interest on the Total Loan Amount as calculated in section 5.1 shall be forgiven provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.
- c) Following the earlier of the Interest Adjustment Date or Occupancy of the Unit(s) interest shall accrue on the Total Loan Amount at the rate of eight per cent (8%) per annum compound semi-annually, not in advance.
- d) On each anniversary date of the Interest Adjustment Date, the Proponent shall pay the Town the amount of the accrued interest from the previous year, as calculated on the Loan amount according to the interest rate stipulated above, provided, however, that if in the opinion of the Town, acting reasonably, the Proponent has satisfied, as of such anniversary date, the requirements of this Agreement, the amount of the interest so owing shall automatically be forgiven.
- e) The Proponent shall provide the Town with such information respecting the Proponent's permanent financing obligations for the Project as the Town may require from time to time.

5 RENT CHARGES AND INCLUDED SERVICES

Rents for the associated Attainable and Affordable Housing Subject Units: Rent

(Sample)	<u>Unit Description</u>	<u>Rents</u>	<u>Maximum Household Income</u>
	Bachelor	AMR: \$XXX 85% of AMR: \$XX	Max Annual Income \$XXX
	1 Bedroom	AMR: \$XXX 85% of AMR: \$XX	Max Annual Income \$XXX
	2 Bedroom	AMR: \$XXX 85% of AMR: \$XX	Max Annual Income \$XXX

X UNITS

(This could be a waiting list managed by the Service Manager, providing the landlord the ability to vet applicants and decide their tenant in a fair manner withing the RTA)

NOTE: S. 4 is subject to the specific agreement. Interest rates are set as an incentive for ongoing compliance

These may not be applicable to all programs.

If not applicable, then a start date is required.

NOTE:
As a template certain sections remain subject housing program details

Rents will remain affordable for a **PERIOD OF AFFORDABILITY XXX YEARS**, including a phase out period which ensures that any tenant legally occupying the Unit at the end of this Agreement is provided with security of tenure on the rental rates until such time as that tenant leaves, as provided for the Residential Tenancies Act

Maximum affordable rents for **(XXXXX) YEAR** that the Agreement is signed. CMHC Rental Market Surveys are posted annually. The rents will be set by the Rental Market Survey at 80% of Median Market Rent (MMR) unless adjusted otherwise (as noted below).

Rents must be inclusive of water. Electricity, without heat/AC may be charged. If Heat is electric, the rent will be adjusted by a average heating cost based on market costs at time of agreement. Parking may be excluded. Telephone, cable and other similar fees may be excluded.

The Proponent shall not increase the rent charged to in-situ tenants of Units by more than the rent guideline increase permitted within this **Agreement. (NOTE SECTION AS APPLICABLE)**

6 RENT INCREASES

The Proponent may increase the rent charged as outlined in **Section XXX** with respect to a Unit only if at least twelve (12) months have elapsed. Only one rent increase will be permitted within any 12 month period, regardless of whether the Unit is vacated and re-leased.

The rental rate increase in any given year shall be no more than the prescribed rate annually established under the RTA, RSO 2006 **Schedule**.

Vacancy:

Up to **two (2) months** of vacancy will be allowed between tenancies without alteration of the Term of this Agreement, regardless of the reason.

Any Unit vacant for more than two (2) months will automatically add any additional months of vacancy to extend the Term of this Agreement on the associated Unit by a comparable period of vacancy.

- (i) since the day of the last rent increase respecting the Unit, if there has been an increase, or
- (ii) A Unit that is vacant for more than 4 months shall constitute a No additional increase is permitted when a Unit becomes vacant within 12 months of the annual rent increase.

The Proponent will not increase the rent pursuant to Section XXXX during the term of the Agreement by more than the then prevailing rent increase guideline established for each calendar year pursuant to the *Residential Tenancies Act, 2006* or any successor legislation.

The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation, does not apply to the Subject Units and agrees that the rent increase guideline applies as defined in the Terms of this Agreement.

Where rent increases above the agreed upon 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 Town.

NOTE:
As a template many sections are subject to current and future specific programs

These statements are required at least four months prior to the effective date of any proposed rental increase. The Town may request additional information to substantiate the requested rent increase. Upon review of the information supplied, the Town, at its sole discretion, may approve the proposed rent increase in whole or in part.

7 PROJECT OWNER'S ANNUAL REPORT

Following the full completion of the Prescribed Work related to the Subject Property, the Proponent shall annually on the anniversary date of the signing of this Agreement, submit to the Town Housing Division a completed 'Project Owner's Annual Report' on the form attached hereto as Schedule "A".

8 NEW TENANT SELECTION AND HOUEHOLD INCOME THRESHOLD

Applications for interested Tenants for all Subject Units and, if desired by the Proponent any other units, shall be managed through a process confirmed by the Town of St. Marys to ensure the referral of reviewed and eligible applicants to the Proponent. (This section may be modified to include language related to the Service Manager or other processes related to tenant selections and unit referrals).

Final Tenant Selection shall be the decision of the Proponent. If no applications are available from the prescribed process, tenant eligibility may be made solely by the Proponent based on Prospective Tenants having a gross household income from all sources no greater than four (4) times their monthly rent. Rent at 25% of gross monthly income, not including other shelter expenses. This formula is only applicable to the defined affordable units within this Agreement.

Prospective Tenants will be required to provide verification of gross incomes to ensure compliance with this requirement prior to initial occupancy and when any new tenants are selected as ensuing vacancies occur during the term of the Agreement. Proponents are not required to confirm incomes for approved tenants once they have taken possession of the Units. Occupying Tenants will have security of tenure during the term of their tenancy.

Tenants shall not be permitted any ability to sublet Units. Units shall only be used as residential rental units within the terms of the RTA. Any Standard LEASE AGREEMENT shall be modified to reflect the terms and conditions of this Agreement for the associated tenants.

In the event that a tenant vacates a Subject Unit, the Proponent shall immediately notify the Town of St. Marys and advance recruitment for a new tenant within the practices noted above. Any new applicant must retain the program requirements related to the unit and this Agreement, including those related to income thresholds. Confirmation of the new tenant(s) name, household size and total household income completed by the tenant before occupancy must be retained by the Proponent for the term of this Agreement.

Where the Proponent and/or an immediate family member moves into one of a Unit, the unearned pro rata portion of the forgivable loan applicable to that Unit is to be immediately repaid to the Town, in accordance with this Agreement. A legitimate and arms length Proponent/Tenant relationship must be maintained during the term of this Agreement.

Attainable Units shall be made available within 2 months following completion of the Prescribed Work to an interested tenant as referred to the Proponent by the City of Stratford's approved waiting list process.

If the Proponent is unable to identify an interested tenant with income below the established income threshold, the Proponent shall notify the Town immediately. Failure to comply with this requirement may result in default under this Agreement.

9 IN SITU TENANTS AT CONCLUSION OF AGREEMENT

In Situ Tenants residing in defined **Affordable** Units at the conclusion of this Agreement shall maintain their rental rates and privileges within the terms of this Agreement until they vacate the Unit or the lease is terminated in accordance with the RTA. In Situ Tenants may then have their rent increased in accordance with the RTA schedule and process.

Upon a Subject Unit becoming vacant after the conclusion of the Agreement, the Proponent may rent the Unit to a new tenant at any rent agreed to by the Proponent and the new tenant.

10 REMEDIES AND DEFAULT REPAYMENT

Should the Proponent 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 Town shall have the right to declare all of the forgivable loan due and payable immediately, together with accrued interest from the date of default until the loan is paid in full. The interest shall be at the rate of eight per cent (8%) per annum and considered a debt to the Town of St. Marys.

11 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 pro rata unearned portion of the forgivable loan for any Unit(s) not rented to tenants meeting the established income thresholds becomes immediately due and payable together with accrued interest on that pro rata portion of the loan amount from the date this provision is not complied with.

12 DISCRIMINATION

When renting a Unit the Proponent shall 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. In the event of contravention of this provision the Town shall have the right to declare all of the forgivable loan due and payable immediately, together with accrued interest from the date of default until the loan is paid in full. The interest shall be at the rate of eight per cent (8%) per annum and considered a debt to the Town of St. Marys.

13 MAINTENANCE

The Proponent shall be responsible for ensuring that the Unit(s) are maintained to a minimum level of health and safety.

14 MONITORING

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

15 SALE OF PROPERTY

The Proponent agrees to notify the Town in writing at least thirty (30) working days prior to the closing date of any sale of the Property.

The Proponent 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 Town. 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 Town, the Proponent 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 at the rate of eight per cent (8%) per annum.

16 MORTGAGE POSTPONEMENTS AND RENEWALS

During the term of this Agreement, postponement of the **XXXXXX PROGRAM's** Forgivable Loan mortgage security will be considered only under the following conditions and at the sole and reasonable discretion of the Town:

Mortgage Roll-over;

- to permit renewal of an existing prior mortgage for the Subject Property at market rates,
- to permit refinancing of a prior mortgage(s) at the Subject Property 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 Forgivable Loan mortgage provided such prior mortgage has not been increased,
- Such other reasons as may be agreed to by the Town.

The addition of debts unrelated to the Subject Property (including the adding of line of credit loans or other debts) onto a Mortgage Roll-over that are not directly associated with the Subject Property will not be allowed as encumbrances on title against the value of the Subject Property. Town approval will be subject to a review to ensure continued viability of the project and to ensure monthly payments after refinancing do not result in rent increases or unsustainable budget.

Postponements, including upon sale of the property, will not be approved where equity is being withdrawn unless the equity is being applied to additional Attainable and Affordable Housing and the above criteria are retained.

The Proponent agrees to reimburse the Town for all of its reasonable costs associated with any postponement .

17 TERM OF AGREEMENT

This Agreement shall continue in force for a period of 20 years from the date of Occupancy of all Subject Units. Any construction defined within this Agreement shall not commence until after the date of this Agreement being signed and being registered on title.

18 BINDING AGREEMENT:

This Agreement shall enure to the benefit of the parties and be binding on their respective heirs, administrators, successors and approved assigns. The Proponent shall not assign the rights and obligations of this agreement without the approval of the Town

FINAL NOTES as may be required.

MFIPPA and other St. Marys Specific contract language as may be required.

AUTHORIZATION AND EXECUTION:

In witness thereof, this Agreement has been executed by the authorized signing authorities for the parties:

SIGNATORS TO SIGN AND SEAL THIS AGREEMENT:

**THE CORPORATION OF
THE TOWN OF ST. MARYS**

Per: _____

**AUTHORIZED SIGNING AUTHORITY
FOR THE TOWN OF ST. MARYS**

**PROPONENT AS SUBJECT PROPERTY OWNER
AND BORROWER IN THIS CONTRIBUTION
AGREEMENT**

Per: _____

**XXXXXX XXXXX, Property Owner
Of STREET ADDRESS**

Per: _____

**XXXX XXXXXXXX, Property Owner
(if required)
Or AUTHORIZED SIGNING AUTHORITY
REPRESENTING THE OWNERSHIP of
St. Address**

DATED as indicated at the top of this agreement.

This Agreement shall come into effect no earlier than the date it is registered, and in accordance with the terms contained herein.

Registration Details:

SCHEDULE "A"

**Project Owner's Annual Report
Town of St. Marys Attainable Housing Program**

- Initial Year Report
- Ongoing Report

SAMPLES ONLY

A. Property Information

Current Reporting Period:	January 1 to December 31, 20__
Contribution Agreement Start Date:	Completed by Town
Contribution Agreement Expiry Date:	Completed by Town
Initial Occupancy Date:	Completed by Town
Company or Project Name:	Completed by Town
Property Owner:	Completed by Town
Address of Property:	Completed by Town
Mailing Address:	Completed by Town
Units Under Attainable Housing	ADDITIONAL UNITS, No financial incentive ADDITIONAL UNITS UNDER CONTRIBUTION AGREEMENT _____

B. HOUSING INITIAL REPORT ONLY

Affordable Units under Contribution Agreement heat & water included.
 electricity included.

Unit #	Type of Unit	Affordable Rent Base Year CMHC Rental Rate	Approved Affordable Rent Reporting Year (20XX)
	Eg. 1 bdrm If accessible		
		Completed by Town	Completed by Town
		Completed by Town	Completed by Town

Confirm that the above information is true:

C. Family Income Tenants

Unit #	Tenant Name	Eligibility City of Stratford	Tenants Move-In Move-out Date	Change
		1 st Year Only	Move in date for first year only	
		1 st Year Only	Following years only need to show change in tenancy	
		1 st Year Only		
		1 st Year Only		

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 Town of St. Marys to review the rent roll from appropriate source(s) if deemed necessary.

Signature _____ Date: _____
 Name/Printed
 Owner/Proponent Signing Authority for Property

APPENDIX XXX

Town of St. Marys
Housing Program (Dated:XXXXX)

**SAMPLES ONLY,
Subject to Specific
Program Detail**

Program Description

APPENDIX XXX :

Application from Proponent

APPENDIX XXX: SAMPLE CONDITIONAL LETTER OF APPROVAL:

PROGRAM: _____

PROPONENT:

Dear:

REGARDING: CONDITIONAL LETTER OF APPROVAL

Your application under the _____ Program has been reviewed and provided conditional approval.

Subject to ____ (inspection, permit, what's next) on or prior to (DATE) the Town of St. Marys will provide
*UP TO (\$ or benefit)

Through a Contribution Agreement. As noted in the program details and in your application, any contributions from the Town are done within the authority of the Capital Facilities bylaw and made in exchange for XXXXXX (details regarding affordable housing). The final details and conditions of the contribution will be addressed within the Contribution Agreement, which the Town of St. Marys will have registered on title of the above noted address.

As a next step... Any required documents or processes.

It is important that you do not start any Prescribed Work prior to the execution of the Contribution Agreement.

Please contact XXX as the St. Marys program co-ordinator (?) if you have any questions regarding this process.

Sincerely,

G. Brouwer

APPENDIX XXX: DESCRIPTION OF PRESCRIBED WORK

SUBJECT PROPERTY: Details

Existing Zoning: **Municipal Confirmation of Compliance of Plans to Zoning:**
Existing Zoning of the Subject Property

Existing Features

NEW UNITS vs. RENO

For Each Unit

**SAMPLES ONLY,
Subject to Specific
Program Detail**

Location of the Unit
Access

Intended Features

Bedrooms (Confirm window in each bedroom and in living space)

Egress

Accessibility Features

Confirmation of Items to be required:
- Window coverings, appliances, heat, AC, hydro

WRITTEN SUMMARY:

Define what is being CREATED/ADVANCED
Define the number of Units being ADDED
Define the number of Units being made LEGALLY CONFORMING (if Applicable) etc.

DATES:

Define anticipated date of Building Permit:
Define anticipated duration of construction:
Define anticipated date of Construction Completion
Define anticipated date of new Unit occupancy.

ARCHITECTUALS AND ANY REQUIRED DOCS:

1. CONTRIBUTION DETAILS

NOTE: LOAN INCLUDES direct funding or the reduction of any required municipal fees or services as outlined within this AGREEMENT

OTHER APPENDICES as may be required.

BY-LAW 73-2023

THE CORPORATION OF THE TOWN OF ST. MARYS

Being a By-law to confirm all actions and proceedings of the Council of the Corporation of the Town of St. Marys at its special meeting held on June 19, 2023.

WHEREAS: *The Municipal Act, 2001, S.O. 2001, c.25, as amended, Section 5(3), provides that the jurisdiction of every council is confined to the municipality that it represents, and its powers shall be exercised by by-law;*

AND WHEREAS: The Council of the Corporation of the Town of St. Marys deems it expedient to confirm its actions and proceedings;

NOW THEREFORE: The Council of The Corporation of the Town of St. Marys enacts as follows;

1. That all actions and proceedings of the Council of the Corporation of the Town of St. Marys taken at its special meeting held on the 19th day of June 2023 except those taken by by-law and those required by by-law to be done by resolution are hereby sanctioned, ratified and confirmed as though set out within and forming part of this by-law.
2. This by-law comes into force on the final passing thereof.

Read a first, second and third time and finally passed this 19th day of June 2023.

Al Stratheedee, Mayor

Jenna McCartney, Clerk