

Council Memo



To	City Council
Service Area	Public Services
Date	Monday, August 24, 2020
Subject	Affordable Housing and Funding Requests – Update Memo

As an update to the report regarding Affordable Housing and Funding Requests, staff have received new information that results in a revised recommendation for Council's consideration.

Our City Solicitor received notification that a legal proceeding has been commenced by Ducimus Capital Inc. against Rockwater on Janefield Inc. in the Ontario Superior Court of Justice, under the Bankruptcy and Insolvency Act.

While the outcome of this case will not be known in advance of the August 24, 2020 Council meeting, staff feel that we now have sufficient information to expect that the Rockwater on Janefield development for affordable housing is likely not to proceed as planned, and that the City would then not pay the \$924,000 from the Affordable Housing Reserve to this project as previously awarded.

Accordingly, it is staff's recommendation that Council proceed with awarding the full additional amount of \$800,000 requested by St. Joseph's Housing Corporation.

The revised motion #1 would read as follows:

1. That a further financial incentive in the amount of \$800,000, funded from the Affordable Housing Reserve, be provided to St. Joseph's Housing Corporation for the Silver Maple Seniors Community affordable housing project subject to Canada Mortgage and Housing Corporation final approval of the National Housing Co-Investment Fund and subject to 2020 funding from the County of Wellington Affordable Rental Housing Development fund.

The other three motions would remain the same.

The risk to the City is that if the Rockwater on Janefield legal matters are resolved and the development proceeds sometime before the end of Q4 2020, the Affordable Housing Reserve would then be in a deficit position until it is replenished in 2021. Staff feel that this risk is low, and therefore recommend that Council revise the motion as stated above.

Attachments

None

This memo was approved and recommended by:

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