



City of
Peterborough

To: **Members of the General Committee**

From: **Sandra Clancy, CAO/Acting Commissioner of Community Services**

Meeting Date: **July 2, 2019**

Subject: **Report CSSS19-006
Assignment of the Municipal Housing Project Facilities
Agreement for 225 Stewart Street**

Purpose

A report seeking approval for 755038 Ontario Inc. to assign the Municipal Housing Project Facilities Agreement dated January 15, 2007, for 225 Stewart Street to TVM Stewart Street Inc. (TVM).

Recommendations

That Council approve the recommendations outlined in Report CSSS19-006 dated July 2, 2019, of the CAO/Acting Commissioner of Community Services, as follows:

- a) That the City consent to the assignment of the Municipal Housing Project Facilities Agreement for 225 Stewart Street, which expires in 2022, from the seller, 755038 Ontario Inc., to the purchaser, TVM Stewart Street Inc.;
- b) That the City agree to amend the term of the Municipal Housing Project Facilities Agreement for 225 Stewart Street, to extend it for an additional 10 years to January 15, 2032;
- c) That the Mayor and Clerk be authorized to execute documents to affect the assignment and extension of the term of the Municipal Housing Project Facilities Agreement in forms acceptable to the CAO/Acting Commissioner of Community Services and the City Solicitor; and

- d) That By-laws 07-008 and 07-009 be amended to affect the assignment and extension of the term of the Municipal Housing Project Facilities Agreement.

Budget and Financial Implications

The value of the property tax exemption provided to this project is \$23,184 in 2019. This exemption will be unchanged as a result of this report.

Background

In 2003, the property at 225 Stewart Street, a former bread factory, was converted into 30 units of affordable housing under a Canada Mortgage and Housing Corporation program called “Rental Residential Rehabilitation Assistance Program” (RRAP). Rents for all 30 units are required to be at median market rent.

Through report PLPD07-001, a by-law was passed, pursuant to Section 110(6) of the Municipal Act, 2001, to exempt the property from the portion of the taxes for municipal and school purposes which is represented by the difference between the taxes for the multi-residential class and the residential class for a period of 15 years, to match the term of the RRAP agreement with CMHC.

The Municipal Housing Project Facilities Agreement registered on title at 225 Stewart Street states that: “the Housing Provider, as a condition precedent to a sale to any subsequent Purchaser, shall require the Purchaser to enter into an agreement with the City, which agreement imposes the terms of this agreement on that subsequent Purchaser.” The owners of 225 Stewart Street have an agreement of purchase and sale with TVM, conditional on the approval of the City for the assignment of this agreement. This agreement currently expires in 2022. TVM seeks an extension of the term of the agreement to 2032. Staff supports the extension request as it means that the units will continue to be affordable units until 2032.

The “Bread Factory” project is an early example of the type of conversion and adaptive reuse projects that have become important fixtures of Peterborough’s below-market rental housing stock. This project provides 30 one-bedroom and bachelor apartments to households with low- and moderate incomes in a highly walkable neighbourhood that is close to amenities. Preserving these units as below-market rental housing stock promotes stability for tenants which aligns with the vision and commitments in Peterborough’s 10-Year Housing and Homelessness Plan.

Submitted by,

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CAO/Acting Commissioner of Community Services

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