



The Blue Mountains Attainable Housing Corporation

2021 - 2023 Budget
March 4, 2021 BMAHC Board

BMAHC Report

- Highlights of 2020
- Plan and Operating Budget for 2021
- Looking Ahead 2022
- Request for Operating Loan extension
- Request for Contribution to Project

BMAHC 2020 Accomplishments

- Initial attainable rental development advanced through feasibility to pre-development stage
- Grants secured for pre-development activity and energy feasibility study
- Small skilled development team compiled including MOU with Town for shared services
- Building awareness of need for attainable housing through communications and community engagement
- Fostered good governance in board recruitment for strategic skillsets and creating key policies
- Established Attainable Rental Program eligibility policy

Investments in BMAHC to Date

❖ TBM Contributions

Yearly cash contribution of \$20,000 since inception
\$100,000 operating loan from TBM in 2020

❖ Private Sector

\$120,000 from Windfall developer in 2016

❖ Government Grants

Secured \$460,000 for Gateway predevelopment

Advancement of housing goals:

- 5 Homeownership loans, 3 repaid plus 1 conditional approval
- 5 Secondary suite grants approved plus 1 conditional approval
- 1 Development advancing (approx. 45-84 new rental units)

What's Next - Priorities 2021

❖ Program Excellence

- ❖ Gateway Housing Project achieves building permit stage
- ❖ Attainable Rental Program further refined, and future occupants secured to support financing

❖ Build Resiliency

- ❖ Long range Strategic Plan in place
- ❖ Governance policies and practices updated
- ❖ Financial stability and financing secured for Gateway Site

❖ Enhanced Community Relations

- ❖ Strategic communications and community engagement plan
- ❖ Extend community outreach and fund development

Looking Ahead - Priorities 2022

❖ Program Excellence

- ❖ Gateway Housing Project under construction
- ❖ Work with private and nonprofit sectors to support their building of attainable housing
- ❖ Innovation and best practices in attainable housing programs

❖ Build Resiliency

- ❖ Solid governance and financial management
- ❖ Attracting funding and investment to support continuation of work

❖ Enhanced Community Relations

- ❖ Champion community outreach
- ❖ Collaborate with partners aligned on local housing needs

2020 Organizational Chart

Board of Directors



Executive Director

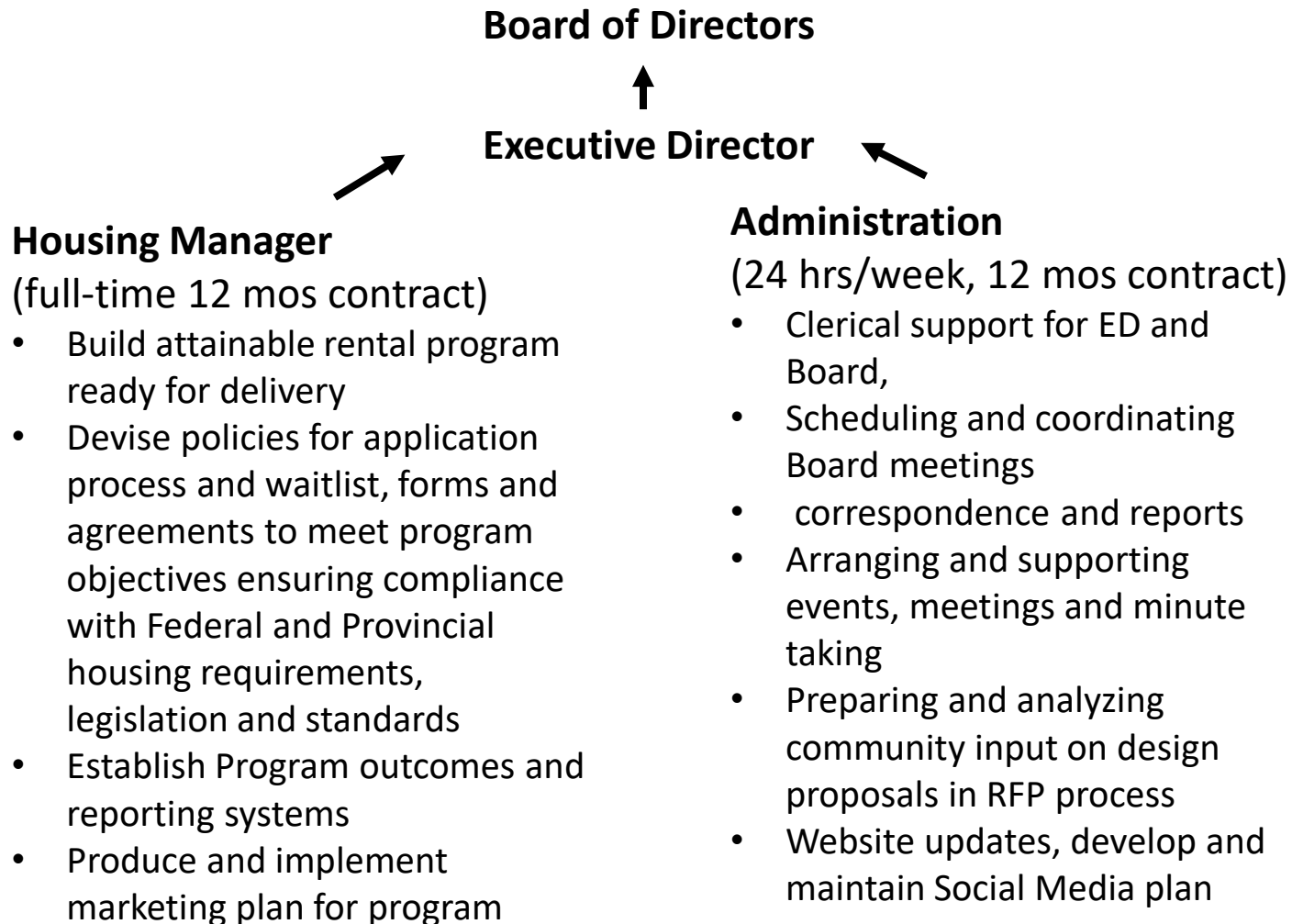


Clerk

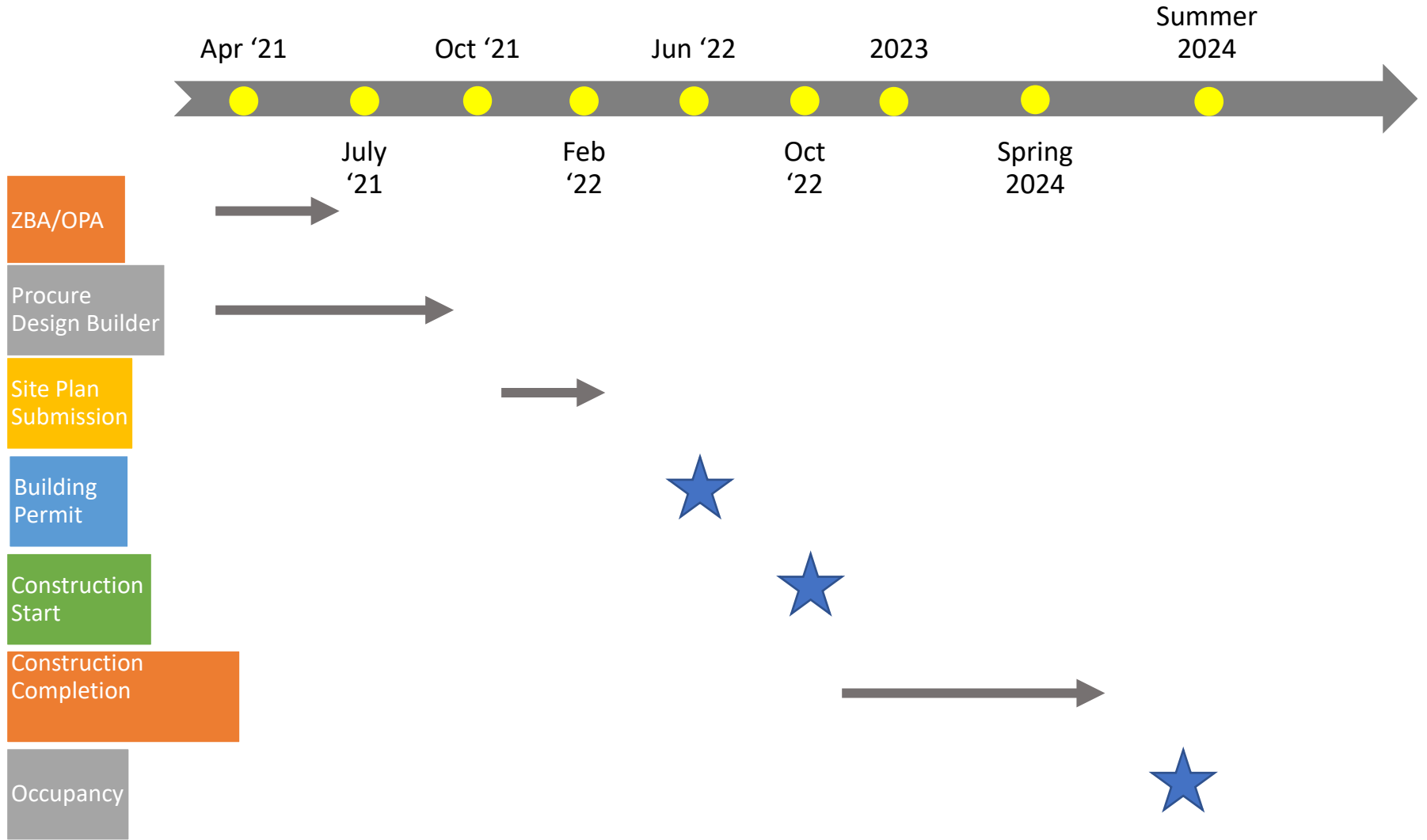
(Phase Out in 2021)

- Scheduling and coordinating Board meetings
- Preparing agendas, minutes and collections of reports
- Support Chair with procedural questions and drafting of resolutions during meetings
- Make Board agendas, minutes and videos available on BMAHC website

2021 Organizational Chart



Anticipated Milestones Gateway Project



Funding Backdrop

To achieve its mandate to be a self-sustaining entity, BMAHC has taken the following actions to date:

- Incorporated working capital loan in project financing to compensate our work to develop and manage the Gateway project.
- Secured the following funding:
 - \$408,000 CMHC SEED Funding grant for predevelopment activity on Gateway Site
 - \$152,000 FCM Green Municipal Fund grant for energy feasibility study on Gateway Site

Continues to pursue additional grant applications and leverage funding to support operating and capital budgets.

Funding Request

Town to receive \$1.2 million from County 2019 Supplementary Assessment earmarked for attainable housing

BMAHC is requesting an increase (up to \$1.2M max limit) in its existing operating/bridge loan from the TBM to be refinanced from permanent financing arranged for the Gateway Project

Proposed Terms and Conditions of Loan

- Amount:
 - Currently projecting an attritional need of max \$1.2M in bridge loans in 3 tranches to provide for 2021 to 2023 operations
 - Tranch 1 \$340,000 for 2021 operations
 - Tranch 2 of \$360,000 for 2022 operations (subject to confirmation by BMAHC Board and TBM as part of 2022 Budget)
 - Tranch 3 \$400,000 for 2023 operations (subject to confirmation by BMAHC Board and TBM as part of 2023 Budget)
- Drawdowns:
 - Semi-annually based upon 30 day notice of BMAHC
- Term:
 - Bullet principle payment at permanent financing of the Gateway Project
 - Interest only until maturity

Proposed Terms and Conditions of Loan (continued)

- Security:
 - Amendment to existing loan agreement to reflect additional terms and reporting requirements
 - Collateral mortgage on Gateway Site if transferred to BMAHC, subject to senior Gateway Project lenders
 - TBM maintains controlling interest in BMAHC
- Reporting Requirements:
 - Submission to TBM of:
 - Yearly audited financial statements
 - Annual Operating and Capital Budgets
 - All Board Minutes including monthly financial reports and budget updates

Gateway Site Project Contribution Requests

- Defer Development Charges due at building permit stage (\$50,000) to start of construction
- Planning fees waiver at estimated cost of \$364,689
- Development charges waiver on attainable units
Estimated value based on 54 attainable units of total 84 units is \$940,000.
BMAHC to leverage TBM waivers with request to County for same (estimated value \$222,000).
- Land contribution of \$1,600,000 (land) and \$200,000 (demolition)
BMAHC to leverage TBM land contribution to secure additional \$2 million contribution from other levels of government in addition to applying for CMHC National Housing grant of up to \$2.2 million

BMAHC Operating Cash Flow 2021-2023

The Blue Mountains Attainable Housing Corporation

	<u>2021 Total</u>	<u>2022 Total</u>	<u>2023 Total</u>
Beginning Cash Balance	\$126,850	\$100,967	\$118,833
Cash Inflow			
TBM Grant	20,000	20,000	20,000
TBM Loan	340,000	360,000	400,000
Total Cash Received	360,000	380,000	420,000
Cash Outflow			
Grant Disbursements Secondary Suite	10,000	10,000	10,000
Total Consulting	43,200	25,000	25,000
Total Human Resources, Office and Banking Expenses	277,783	263,134	290,949
Total Marketing	6,960	8,000	8,000
Total Professional Fees	47,940	41,000	47,500
Total Cash Outflow	385,883	362,134	396,449
Net Consolidated Cash Flow (deficit)	-25,883	17,866	23,551
Ending Cash Balance	\$100,967	\$118,833	\$142,385

SUBJECT TO BMAHC BOARD APPROVAL

BMAHC Gateway Build Cash Flow

The Blue Mountains Attainable Housing Corporation

Build Sources and Uses of Funds - 4 Storey

HIGH LEVEL Estimate Uses of Funds for the Project (000')

(Subject to further Due Diligence and RFP results)

Hard Build Costs	19,000
Consultants	1,500
Municipal DC's And Fees	2,500
Development Costs	1,634
Insurance & Legal During Construction	450
Ramp Up Leasing / Operations	150
Interest & Financing Costs During Construction	400
Tax (HST)	1,331
Build Contingency	1,140
Land	1,800
Estimated Total Cost	\$29,905

Source of Funds (000')

CMHC Seed Funding Grant	40
CMHC Seed Funding Loan	210
FCM GMF Grant	92
CMHC Construction Grant	2,235
Other Grant - Provincial/Federal	2,000
CMHC Financing	22,000
Land provided by TBM	1,800
Municipal DC's And Fees Grant	1,528

Total	\$29,905
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BMAHC Consolidated Cash Flow

Consolidated Projected 2021 Cash/Asset Contribution Flow - Includes General BMAHC Operations and Gateway Capital and Operating Costs

	2021 Total	2022 Total	2023 Total
Beginning Cash Balance	126,850	180,398	1,402,457
Cash / Asset Contribution Inflow			
Grants received			
Regular Annual TBM Grant	20,000	20,000	20,000
TBM Loan (this request)	340,000	360,000	400,000
TBM Land Grant	0	1,800,000	0
FCM Grant	11,887	79,976	0
CMHC Seed Grant	40,248		
BMAHC Bridge Loan	350,000	0	-250,000
TBM Build Fee Waivers	53,709	310,980	0
TBM DC Waivers	0	941,550	0
County DC Waivers	0	222,350	0
CMHC Construction Financing	0	2,354,472	19,645,528
CMHC Seed Loan	99,000	-99,000	0
CMHC Co-Investment Grant	0	2,234,979	0
Total Cash / Asset Contribution Received	914,844	8,225,307	19,815,528
Cash / Asset Use Outflow			
Grant Disbursements Secondary Suite	10,000	10,000	10,000
Total Consulting	450,715	556,467	279,000
Total Municipal Fees	53,709		
Land + Demolition	0	1,800,000	0
Hard Construction Costs	0	1,210,172	17,789,828
Total Human Resources, Office and Banking Expenses	284,472	485,779	838,461
Total Marketing	11,460	0	0
Total Professional Fees	47,940	118,833	142,385
Total Misc Cash Outflow	3,000	380,635	2,110,365
Total Cash / Asset Use Outflow	861,296	7,003,248	21,170,038
Net Consolidated Cash Flow (deficit)	53,548	1,222,059	-1,354,510
Ending Cash Balance	180,398	1,402,457	47,947

SUBJECT TO BMAHC BOARD APPROVAL

TBM Investment in Attainable Housing

- Leverage TBM contribution with other orders of government to increase housing to meet local needs
- Deliver on goals of TBM's Sustainable Path to create sustainable, attainable housing mix
 - Attract and retain young adults and families for a healthy, thriving community
 - Attract and retain business and future investment for a prosperous economy
- Increased value of asset gained through a municipally controlled corporation

Recommendation Summary

- Extend operating loan with BMAHC to maximum of \$1.2M
- Defer development charges due at building permit stage to start of construction
- Contribute land and demolition cost
- As a municipally initiated planning application, waive TBM Planning Fees
- Waive TBM Development Charges on attainable units