

Public Webinar Q&A Summary

Question	Answer
Is the loan from CMHC a mix of loan and grants?	Yes, it is a mix of forgivable and repayable loans with the forgiven portion after 20 years. The loan will be in the form of a mortgage - 50 year amortization modeled at 2.5% interest. Currently we are seeing interest rates of 1 to 1.5%
Is this model based on full occupancy?	No, we are modeling a 3% vacancy rate.
When do you expect to have confirmation of funding from the federal government?	It is contingent on when we get zoning – current plans are by end of March. Once we get planning approval, we can apply for co-investment in June and confirm our intent for funding from CMHC
Headleases, how many are offered and how does it affect the whole program?	Our preference is to lease to individuals. We will look to have memorandum of understandings with community groups and local businesses to reserve space for certain community groups and businesses, however individual tenants will still meet all the qualifications.
What other properties does the corporation have its eye on?	We know other areas have demand for similar housing such as Craigeith. We would like to get this build under our belt first. We are open to working with developers who would like to follow our model on how to set this up.
How many stories will the project be?	maximum 4.
What are the salary limits?	Minimum \$40,000 maximum \$100,000 combined household income
Is there a percentage contingency for major repairs unexpected or unforeseen costs?	The CMHC loan requires us to wet up a contingency reserve for capital expenses of 4% pf gross revenue each year.
Mandatory 50 year amortization period? Is it a fixed rate?	CMHC prefer long amortization periods so that the debt servicing cash flow is minimized to help rents remain low. We modeled interest rates of 2.5%, but we see actual interest rates of 1% to 1.5% for 10 year term/ After that the interest rate renews at the same rate for following 10 years and then goes to market rates
Does the model take into account pandemic economic impacts, example more expensive building materials?	We have factored in the changing construction costs related to the pandemic
What cost to tax payers?	92% of the cost is from the federal from CMHC/ With the introduction of the new DC charge we are proposing, there is no cost to the annual tax levy.

<p>Have the location studies for current and the future expansion of the waste water plant been completed?</p>	<p>An initial Land Use Compatibility Study was completed by ORETCH in July of 2020. This Study was based upon the Ontario MOE D-2 guidelines and was in accordance with the County and the Town's Official Plan requirements. The study contemplated the expansion of the plant to 7,080 m³/Day.</p> <p>The study was completed in the winter and will be updated for non-winter operation. ORTECH has concluded that a 100 meter separation from odour sources is appropriate.</p> <p>The province has decided not to proceed with any amendments to the Land use Compatibility Guidelines that were used to determine the Gateway site compatibility.,</p>
<p>Does the model include additional staffing? Example a building superintendent</p>	<p>The financial model does include contracts and property management staff and services. We do not plan additional staffing.</p>
<p>MOE requires an EA to be done</p>	<p>An update to phase one assessment is needed before a Phase 2 assessment. The MOE is typically contacted after all of the site assessments are complete.</p>