



STAFF REPORT

Board Meeting

MEETING DATE: July 7, 2022
REPORT: B.3.1 Gateway Project Update
AUTHOR: Jennifer Bisley, Executive Director

A. Recommendation

THAT The Blue Mountains Attainable Housing Corporation receive Item B.3.1 Gateway Project Update for information.

B. Background

The Gateway Project is the Blue Mountains Attainable Housing Corporation's (BMAHC) first housing development at 171 King Street East. It is currently in the pre-construction phase. SHS Consulting is the project development consultant. Information and project updates can be found on the [Gateway Attainable Housing Project](#) webpage.

C. Analysis

Planning and Site Studies

The Phase Two Environmental Site Assessment report has been completed and is available at this [link](#). No further investigation or mitigation was recommended. An update to the Land Use Compatibility – D-2 Assessment related to odour has been scheduled with Ortech with investigation taking place at the end of July and a final report expected in mid-August.

Land Transfer

At the June 28, 2022, Special Committee of the Whole meeting, Council passed approving the transfer of 171 King St. E to the Blue Mountain Attainable Housing Corporation for nominal consideration (e.g. \$2.00), subject to the following conditions:

1. That the transfer be deemed a Grant to a not-for-profit organization under s. 107 of the Municipal Act and in accordance with Town Policy POL.COR.13.19 (Asset Transfers to Corporations Policy).
2. That the transfer be conditional on a right of reversion which will be triggered in any of the following circumstances:
 - a) Prior to the issuance of Building Permit(s), the project proposes to provide fewer than the minimum unit yield of "attainable" units, as defined/ required by the Canadian Mortgage Housing Corporation (CMHC) and BMAHC.

- b) That Building Permits for the project have not been issued within 3 years of the date of completion of the sale.
3. That the Transfer be conditional on the entering into of a “Grant Agreement” which shall stipulate that the Grant shall be repayable on a proportional basis in the event that the project offers fewer than the minimum unit yield of “attainable” units as defined/ required by CMHC and BMAHC at any time during the first 20 years of occupancy.
4. That the transfer includes a right of first refusal which, in the event BMAHC intends to sell the land, will give the Town the first right to reacquire the land and/or recoup the value of the grant.
5. Other conditions which may arise if/as required by the CAO, Director of Legal Services, and Director of Finance and IT.

The full recommendation can be found in the Committee Report as Item B.4.1 171 King St. Disposition – Follow Up to Public Meeting FAF.22.114 at this [link](#). Council will consider the recommendation at the July 4, 2022 Council meeting.

Procurement

The Request for Proposals (RFP) for a Design-Builder for the Gateway Project was issued on June 17, 2022 and a virtual proponents meeting held on June 27th. The RFP is by invitation only to companies identified through the earlier Request for Prequalification process. The four companies invited to respond are Buttcon Limited, Matheson Constructors Limited, Percon Construction Inc, and R-Hauz Housing Solutions. The RFP is available at this [link](#).

Funding

At the June 7th, 2022 Committee of the Whole meeting, Council approved an increase to the Operating Loan by \$760,000 to a maximum of \$1,200,000, including the original loan. The loan remains repayable and not forgiven. A link to the full recommendation in the Committee Report can be found as Item B.4.1 The Blue Mountains Attainable Housing Corporation Operating Fund Extension, FAF.22.112 at this [link](#). The recommendation was approved by Council at the June 20th, 2022 Council meeting,

There has been no decision by the Town in relation to requests for a grant equal to amount of building permit and planning fees to be collected and a grant equal to the development charges for the attainable residential rental units only.

Communications and Community Engagement

Engagement in July and August will be focused on building connections to support leasing of the commercial space.

D. Financial Impact

None

Attachments: none