



REPORT

Board Meeting

MEETING DATE: July 7, 2022
REPORT: C.4 Attainable Ownership Program Structures – Legal Services Proposal
AUTHOR: Jennifer Bisley, Executive Director

A. Recommendation

THAT The Blue Mountains Attainable Housing Corporation receive Item C.4 Attainable Ownership Program Structures – Legal Services Proposal for information.

AND THAT The Blue Mountains Attainable Housing Corporation engage Robins Appleby to provide legal services related to potential attainable ownership program structures with an estimated budget of \$7,500 plus HST.

B. Background

BMAHC has a mandate to provide below-market ownership and rental housing to moderate-income working or recently retired households whose housing needs are not being met by the private market. Developers have approached BMAHC regarding partnerships to provide attainable rental and ownership housing. To understand and explore these opportunities, BMAHC needs to understand its options for structuring an attainable ownership program.

C. Analysis

Affordable ownership programs can be grouped into two general categories: 1) programs that lock affordability into the unit for the benefit of future owners; and 2) programs that release the unit to market with the equity reinvested in another unit.

The proposed scope of work is to explore legal options and instruments related to the programs that lock-in affordability. These programs are common in resort communities and urban centres in Alberta and British Columbia but are not as common in Ontario.

An ownership program must be responsive to local priorities, organizational objectives, and market conditions, as well as to be supported by buyers, developers, lenders, mortgage insurers and other key partners. Identifying legal options is only one aspect of program design. Consideration must also be given to achieving initial and retaining ongoing affordability and administration requirements.

Financial Impact

The estimated cost of the work is \$7,500 plus HST. The 2022 budget includes \$10,000 for legal fees unrelated to the Gateway Project, which has not been allocated to date.

Attachments: Robins Appleby Proposal dated July 5, 2022



ROBINS APPLEBY
BARRISTERS + SOLICITORS

July 5, 2022

Jennifer Bisley
Executive Director
The Blue Mountains Attainable Housing Corporation
32 Mill Street, P.O. Box 310
Thornbury, ON N0H 2P0

Dear Ms. Bisley:

RE: BLUE MOUNTAINS ATTAINABLE HOUSING CORPORATION PROPOSAL

First of all, thank you once again for selecting us to represent the corporation and provide legal advice.

Below is our proposal for the legal services that you have requested related to locking in affordability on resale of properties.

Background

Blue Mountains Attainable Housing Corporation (“**BMAHC**”) is developing certain properties that will be available for ownership to those meeting BMAHC’s affordability criteria. In this respect, BMAHC wishes to explore legal options it may have in locking in affordability in any subsequent resale of the property.

The Mandate

Our understanding of the legal services is to provide legal analysis through a memorandum on resale and occupancy controls. The memorandum will explore the following four options:

1. Section 118 Restriction
 - a. How this tool works;
 - b. How it can be used to preserve affordability or control occupancy;
 - c. Operational considerations
2. Restrictive Covenants
 - a. How this tool works;
 - b. How it can be used to preserve affordability or control occupancy;
 - c. Operational considerations
3. Option to Purchase
 - a. How this tool works;
 - b. How it can be used to preserve affordability or control occupancy;
 - c. Operational considerations
4. Right of First Offer/Right of First Refusal
 - a. How this tool works;



- b. How it can be used to preserve affordability or control occupancy;
- c. Operational considerations

Estimate

Based on our understanding of the mandate to this point, we estimate the fee to be **\$7,500** (plus disbursements and HST).

We wish to emphasize that our estimates are not caps nor targets. We will endeavour to complete the mandate as efficiently as possible. We will keep you apprised of our progress and will advise you if at any time we feel that our fee may exceed the estimates we have set out.

Team

We expect John Fox (Real-Estate), Ismail Ibrahim (Corporate) and Claudia Pedrero (Real-Estate) to be involved in this matter.

+++++

Thank you very much for the opportunity to submit this proposal. If you have any questions, please call at 416-360-3705.

Yours very truly,

ROBINS APPLEBY LLP

Per:

Ismail Ibrahim