

October 24, 2005

Finance & Admin

Mr. Bill Fisch, Chair
York Region
17250 Yonge Street
Newmarket, ON L3Y 6Z1

Subject: Old Kennedy Co-Operative Development Corporation

Dear Bill:

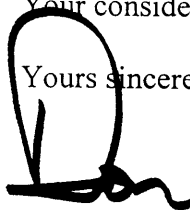
Attached please find a letter I received from Charles Sutherland, Development Consultant for Old Kennedy Village.

The Non-Profit Housing Association is now well underway and has received support as per the attached resolution from Markham Council.

Is there any way the Region of York could give this consideration for some exemption of development charges or in any other way?

Your consideration of this would be much appreciated.

Yours sincerely



W. Donald Cousens
Mayor

Copy: Mike Garrett – CAO, York Region
Sandra Cartwright – Commissioner of Finance and Treasurer, York Region
Charles Sutherland – Old Kennedy Village

**Old Kennedy Co-operative
Development Corporation**

75 Stirling Cres
Markham, Ontario
L3R 7J8
Phone: (905) 948-1657
Fax: (905) 470-4205



03 October 2005

Town of Markham
101 Town Centre Boulevard
Markham, ON
L3R 9W3

Attn: Mayor Don Cousens

Dear Mr. Mayor,

**Re: Request for Deferral of Regional Development Charges,
90-108 Old Kennedy Road Project**

On behalf of Markham Community Homes Inc. and Old Kennedy Co-operative Development Corporation, I would like to express an heartfelt thank you for your participation in our September 21, 2005 Ground Breaking Ceremonies.

Further to our discussion on the subject, I would like to provide you with the attached letter sent to the Regional Clerk, Mr. Dennis Kelly on March 30, 2005 by the Town Clerk, Sheila Birrell. It should be noted that the specific request was outlined on page 4 of the letter and to our knowledge neither Regional Staff nor Council have dealt with the Town's Request.

As you know we are starting construction and would solicit your support in requesting a favorable and expeditious response from Regional Council so that we may confirm additional help with their down payment to a significant number of lower - income households.

Thank you for your consideration of this request and please do not hesitate to contact me if you need any further information.

Yours truly,


Charles Sutherland
Development Consultant
(905) 948-1657

March 30, 2005

Mr. Denis Kelly
Regional Clerk
The Regional Municipality of York
17250 Yonge Street
Newmarket, ON L3Y 6Z1

**RE: FINANCIAL INCENTIVES FOR AFFORDABLE HOUSING
REQUEST FOR DEFERRAL OF DEVELOPMENT CHARGES
AND A REDUCED AND DEFERRED CASH-IN-LIEU PARKLAND
CONTRIBUTION BY THE OLD KENNEDY COOPERATION
DEVELOPMENT CORP. AT 90-108 OLD KENNEDY ROAD (7.11 & 10.7)**

Dear Mr. Kelly:

This will confirm that at the meeting of Council held on March 29, 2005, Clause 2 of Report No. 10, was approved as follows:

"That the presentation by the Treasurer, the Senior Project Coordinator and Mr. Charles Sutherland of "Options for Homes" regarding financial incentives for affordable housing be received;

And that the March 21, 2005 staff report entitled "Financial Incentives for Affordable Housing – Request for Deferral of Development Charges and a Reduced and Deferred Cash-in-lieu of Parkland Contribution by the Old Kennedy Co-operative Development Corp. at 90-108 Old Kennedy Road" be received;

And that Council authorize a conditional deferred payment of the Town of Markham development charges (equivalent to town-wide hard and soft services or approximately \$700,000) and a reduced and deferred cash-in-lieu of parkland contribution (equivalent to 5% of the land value or approximately \$150,000), (collectively, the "deferred charges"), estimated to be a total of approximately \$850,000 relating to the development of 135 dwelling units and 5 retail units at 90-108 Old Kennedy Road, as a pilot project financial incentive in support of affordable homeownership housing in Markham;

....2/

- 2 -

And that the short-term borrowing for the deferred charges be provided from the Corporate Rate Stabilization Reserve, if required, until such time as the full deferred payment owed is paid from the Home Ownership Alternatives Non-Profit Corporation;

And that the deferred charges be conditional on confirmation by the Commissioner of Development Services that the proposed development at 90-108 Old Kennedy Road has received all necessary municipal approvals, and upon meeting the criteria outlined in this report, to the satisfaction of the Town Solicitor, the Commissioner of Development Services and the Commissioner of Corporate Services.

And that the deferred charges also be conditional on the execution of an agreement between the Old Kennedy Co-operative Development Corporation, the Home Ownership Alternatives Non-Profit Corporation and the Town of Markham, to secure the payment of deferred charges, to the satisfaction of the Town Solicitor, the Commissioner of Development Services and the Commissioner of Corporate Services including, but not limited to, the following provisions:

- a) that the Town of Markham's contribution shall be combined with CMHC - Ontario Affordable Housing Program Homeownership Pilot Program funding and concentrated to provide funding assistance for a minimum of 25% or not less 34 of the dwelling units in the development (the "funded units");
- b) that the purchasers of the funded units only be eligible if:
 - i) their household income is less than or equal to the 40th percentile of household incomes for Markham; and
 - ii) for not less than 30% of the funded units, the purchaser's household income is less than or equal to the 30th percentile of household incomes for Markham;
- c) that the funded units include a mix of 1, 2 and 3 bedroom stacked garden apartments and 3 and 4 bedroom townhouses to ensure affordable homeownership opportunities are provided to both individuals and families;
- e) that for the funded units at least 75% of the purchasers live or work in the Region of York, and at least 37.5% live or work in the Town of Markham, at the date the unit purchase agreement is executed;
- f) that the Old Kennedy Cooperative Development Corporation be required to submit a letter of credit, to the satisfaction of the Town's Treasurer, to secure the delivery of the funded units in accordance with the above provisions and that the letter of credit be reduced accordingly once the Town is satisfied that each of the funded units and the purchasers have met the eligibility criteria;

.....3/

- 3 -

- g) that payment of the deferred charges, plus applicable interest or appreciation, to the Town be secured as follows:
- Proceeds of the resale of each funded unit will be remitted to the Town annually; and, in any event, the Home Ownership Alternatives Non-Profit Corporation will pay 90% of the deferred charges within 15 years of the condominium registration and 100% of the deferred charges within 20 years of the condominium registration;
- h) that the Home Ownership Alternatives Non-Profit Corporation agree to apply the proceeds of the shared appreciation of their deferred deposit mortgages registered on all units of the development to fund further Home Ownership Alternatives non-profit housing developments, preferably in Markham and/or other municipalities in York Region, in accordance with their Declaration of Trust; and
- i) that the Home Ownership Alternatives Non-Profit Corporation will act responsibly in administering any second mortgage related to the deferred charges, and failing to do so or in the event that the Home Ownership Alternatives Non-Profit Corporation ceases to exist, said second mortgage shall be forthwith transferred to the Town of Markham as it relates to the payment of the deferred charges.

And that the payment of deferred charges also be conditional on the Old Kennedy Co-operative Development Corporation providing written confirmation, that a CMHC - Ontario Affordable Housing Program Homeownership Pilot Project funding allocation of not less \$810,000 is available to apply towards the funded units, to the satisfaction of the Commissioner of Development Services and Commissioner of Corporate Services;

And that in the event that the full CMHC - Ontario Affordable Housing Program Homeownership Pilot Project funding allocation is not made available by the Province that the Town of Markham's contribution be reduced in an equivalent manner;

And that the Province be requested to amend the provincial eligibility requirements relating to the cost price of the dwelling units and the selection of eligible purchasers in Markham, to permit the full funding allocation of \$810,000 to be used and to demonstrate the Province's commitment to partnering with municipal governments in support of affordable home ownership development in Markham and York Region;

.....4/

And that the Region of York be requested to make a similar contribution respecting deferral of Regional development charges for this affordable home ownership pilot project to demonstrate the Region's commitment to partnering with senior and local municipal levels of government in support of affordable home ownership development in Markham and York Region;

And that the Clerk be directed to forward a copy of this report to the Minister of Public Infrastructure Renewal, York Region MPPs and the Region of York."

Yours sincerely,


Sheila Birrell
Town Clerk

Encl.

SB:mbp

equipment and administrative services - necessary for the development of the 2000 Plan 1 rep. 10 - financial objectives - affordable housing plan