



# The Blue Mountains Attainable Housing Corporation

2021/2022 OPERATING NEEDS AND  
INVESTMENT REQUEST

February 23, 2021 Committee of the Whole

# 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 reviewed
- ❖ 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**

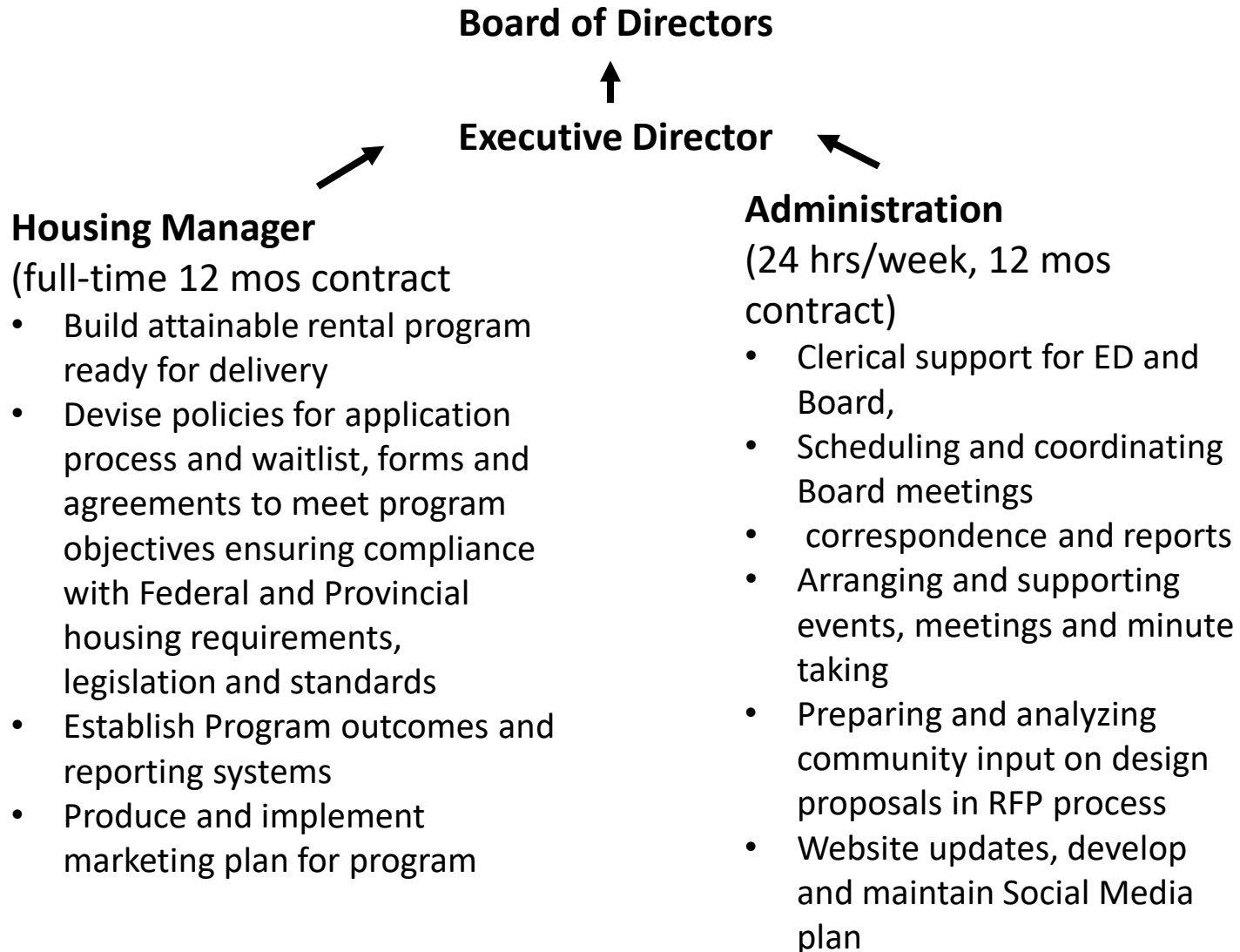


**Clerk**

(Phase Out in 2021)

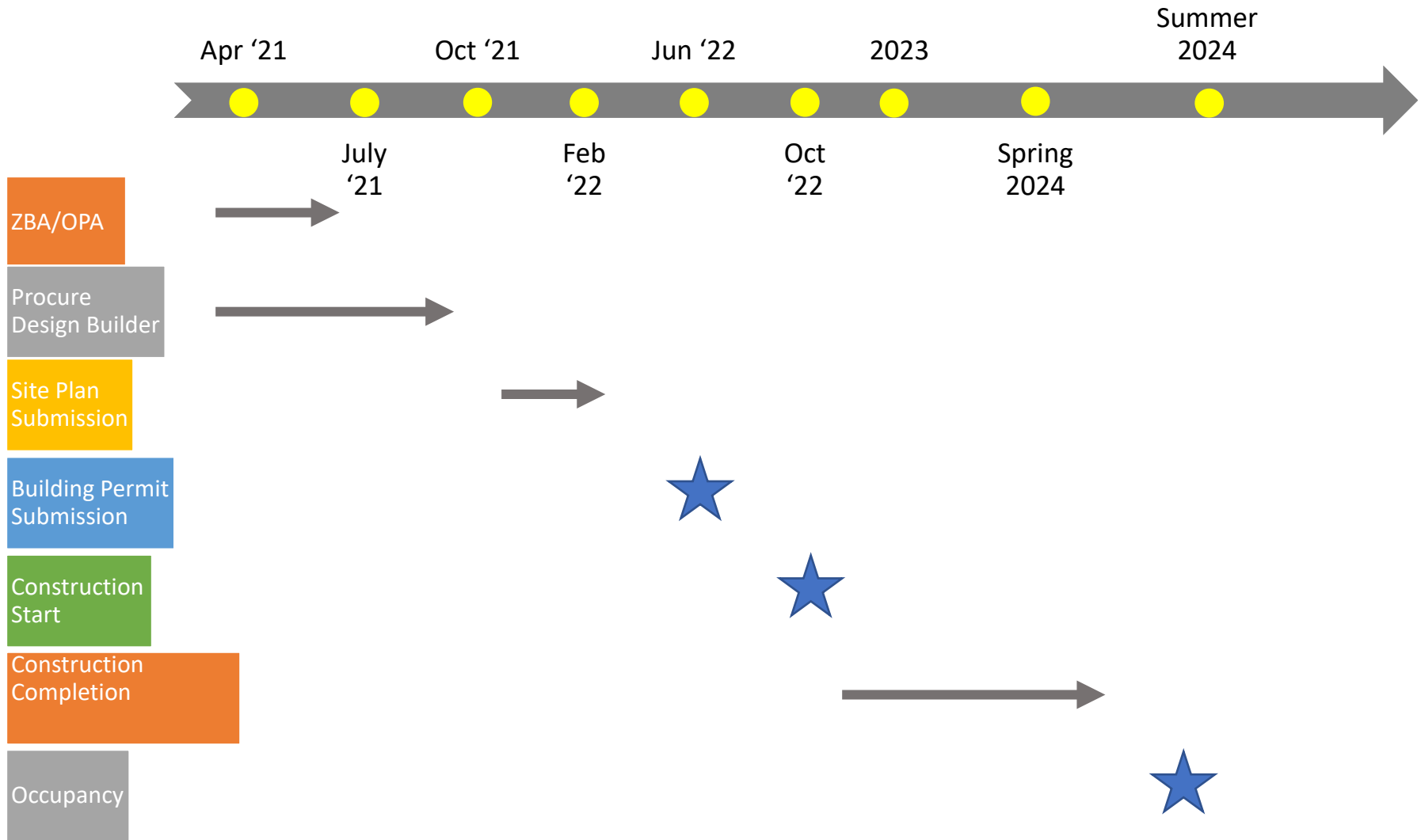
- Scheduling and coordinating Board meetings
- Preparing agendas, minutes and collections of reports
- Support Chair with procedural questions and drafting of resolutions during meetings
- Make Board agendas, minutes and videos available on BMAHC website

# 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 principal 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 cost based on 54 attainable units of total 84 units is \$1,016,874. BMAHC to leverage TBM waivers with request to County for same (estimated value \$222,000).
- Land donation of \$1,600,000 (land) and \$200,000 (demolition)  
BMAHC to leverage TBM land cost to secure additional \$2 million contributions from other levels of government or other funding 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

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

# 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
-------	----------



# 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
<b>Beginning Cash Balance</b>	126,850	180,398	1,402,457
<b>Cash / Asset Contribution Inflow</b>			
<b>Grants received</b>			
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
<b>Total Cash / Asset Contribution Received</b>	<b>914,844</b>	<b>8,225,307</b>	<b>19,815,528</b>
<b>Cash / Asset Use Outflow</b>			
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
<b>Total Cash / Asset Use Outflow</b>	<b>861,296</b>	<b>7,003,248</b>	<b>21,170,038</b>
<b>Net Consolidated Cash Flow (deficit)</b>	<b>53,548</b>	<b>1,222,059</b>	<b>-1,354,510</b>
<b>Ending Cash Balance</b>	<b>180,398</b>	<b>1,402,457</b>	<b>47,947</b>

# TBM Investment in Attainable Housing

- Leverage TBM contribution with other orders of government
- 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