

Housing Advisory Task Force Agenda

9:00 AM - Wednesday, September 10, 2025

Council Chambers

[Zoom Meeting Registration](#)

1. Call to Order

2. Traditional Land Acknowledgement

We begin this gathering by acknowledging and celebrating these traditional lands as a gathering place of the first peoples and their ancestors who are entrusted to care for Mother Earth since time immemorial. We do so respecting both the land and the Indigenous People who continue to walk with us through this world. Today, the Township of North Frontenac is committed to working with Indigenous Peoples and all residents to pursue a united path of reconciliation.

3. Introductions

4. Disclosure of Pecuniary Interest and General Nature Thereof

5. Housing Advisory Task Force Notes

6. Business Arising

7. New Business

- | | | |
|----|---|-------|
| a) | Terms of Reference | 2 - 7 |
| | 2025-2026 - HATF Terms of Reference | |
| b) | Meeting Attendance | |
| c) | Future Meeting Dates | 8 |
| | 2025 HATF Meeting Dates - DRAFT | |
| d) | 2025 Work Plan | 9 |
| | 2025 HATF Work Plan - DRAFT | |

8. Communications

- | | | |
|----|--|----------|
| a) | Previous Information- EDTF Research | 10 - 17 |
| | Small Size, Big Impact - NF's Housing Battle | |
| b) | Previous Information - Seniors Housing | 18 - 187 |
| | Seniors Housing Previous Information | |

9. Adjournment

- a) Meeting adjourned at _____ a.m.



Housing Advisory Task Force

(Mandated by the Council of the Municipality of North Frontenac)

Terms of Reference September 2025 – October 2026

Mission: To provide Council with clear, evidence-based information, advice, and recommendations on housing matters to support informed decision-making and the development of inclusive, sustainable housing solutions.

Vision: A community where all residents have access to safe, appropriate, and affordable housing options, supported by thoughtful policies and proactive guidance that foster dignity, stability, and long-term well-being.

Mandate: To provide housing related information, advice, and recommendations to Council including advice regarding housing in general, seniors housing, rental housing, housing that is affordable, and homelessness and the precariously housed, but not including social housing;

Membership:

As appointed by Council on June 12, 2025, the composition of the Task Force shall include:

- Mayor Gerry Lichty
- Deputy Mayor John Inglis
- Councillor Wayne Good

As appointed by Council on June 12, 2025:
Mayor Lichty shall be the Chairperson.

Also, as appointed by Council on August 7, 2025, the composition of the Task Force shall include members of the public as follows:

- Tom Hunter
- JP Melville
- Steve Sunderland

and the following Staff as appointed by the CAO:

- Kelly Watkins, Dipl.M.A., Dipl.M.M., Treasurer; and

- Brooke Ross, Dipl.M.A., Dipl.M.M., Manager of Community Development (MCD) (Recording Secretary)

Tasks and Milestones:

1. Recommendation to Council of appointments for Public Representation. (August 7, 2025)
2. Initial Task Force meeting to discuss a Mission, Vision and Mandate for the Housing Advisory Task Force and draft a Terms of Reference for Council consideration. (Meeting was at the call of the Chair and held on September 10, 2025 at 9:00 a.m. at the Township of North Frontenac Municipal Office Council Chambers, in Plevna.)
3. Annual review of these Terms of Reference and Work Plan by the Task Force

Time Frame and Meetings:

The Housing Advisory Task Force is constituted for approximately one year, commencing on September 10, 2025 and ending October 31, 2026 with the option of continuing meetings at the discretion of Council. Ongoing reports and recommendations will be provided to Council throughout the term of Council. The Task Force will meet once a month or at a frequency to be determined by the Chair, using face-to-face meetings, conference calls and/or electronic correspondence.

Procedural Matters

Open to the Public

All Task Force Meetings shall be open to the public. The Task Force is not permitted to have a Closed Session.

Notice

The appointed Manager(s) shall post the date and time of the Task Force Meetings on the Website and the Municipal Office's Electronic Sign at least 48 hours in advance of the meeting.

Electronic Participation

Members may participate in Meetings electronically.

Quorum

Although Task Force Membership is non-substituted, Council agrees that it is not necessary to establish the number of Members necessary for a Quorum; however, at least one Member of Council and the CAO or a Manager shall be present and careful consideration will be taken to ensure good representation from the voluntary sector when discussions on key issues take place or recommendations are formulated.

Attendance

In order to ensure the efficient and effective operation of the Task Force it is important the Members who have volunteered to participate in the Task Force attend and participate in Meetings. A Council Member on the Task Force may confidentially report to Council any Task Force Member who refuses or neglects to attend Meetings without just cause. Council may remove that person from the Task Force and appoint another person in their place.

Expert Members and Invited Guests

The Task Force may require experts, academics or other government/voluntary sector Representatives to attend meetings as presenters, advisers or observers because of their knowledge of the subject, of the sector or as part of another existing Committee or Task Force of Council. Such invitations shall be agreed to in advance by the Task Force and the Chair or CAO shall make the requests.

Responsibilities of the Chair

The Chair is responsible for:

- a) Consulting with the appointed Manager(s) on items to be included in the Agenda;
- b) The preservation of good order and decorum throughout Task Force meetings so that business can be carried out efficiently and effectively;
- c) Providing leadership;
- d) Opening the Meeting by taking the Chair and calling the Members to order;
- e) Ensuring the decisions of the Task Force are in conformity with the laws and Bylaws governing the activities of the Township;
- f) Ordering any person or Member in attendance at the Meeting to cease and desist any behaviour which disrupts the order and decorum of the Meeting and to order the person or Member to vacate the Council Chamber/Meeting Room where such behaviour persists; and
- g) Never allowing anyone to publicly criticize identifiable individuals. It is the responsibility of the Chair to ensure that rules of etiquette are observed by those in attendance.

Absence of the Chair

In the absence of the Chair, the Secretary shall call the meeting to order. The Chair shall be chosen from the Council Members present and they shall preside over the meeting.

Voluntary Sector Member Conduct

The Voluntary Sector Members shall:

- a) Be accountable for their accessibility and responsiveness, and to each other, as Members of a team, for participating, collaborating and doing their best to advance the joint process in good faith;
- b) Act with honesty, integrity and openness in advancing matters;
- c) Respect the individual rights, values, beliefs and personality traits of any other person, recognizing that all persons are entitled to be treated equally with dignity and respect for their personal status;

- d) refrain from making statements known to be false or with the intent to mislead the Task Force, Council or the public;
- e) Not use their position on the Task Force to benefit materially from the process or the outcomes;
- f) Not be eligible on an individual basis for contracts or other paid work commissioned by the Task Force or Council, unless the Procurement By-law requirements are met; and
- g) Respect Council and the Task Force's decision-making process even if they disagree.

If a Voluntary Sector Member is in contravention of the above Section, a Member of the Task Force may contact the CAO who will arrange to confidentially report to Council any Task Force Member who is in contravention of the Procedural Policy. Council may direct the Chair to remove that person from the Task Force and appoint another person in their place.

Agenda

The Manager(s) (or CAO in their absence) in consultation with the Chair, shall prepare an electronic Agenda and circulate to all Task Force Members at least five days prior to the Meeting. Additions to the Agenda by Members, individuals or groups will not be accepted by the Manager or Chair after 4:00 p.m. 10 calendar days preceding the Meeting. The business of each Meeting shall follow the order in which it stands on the Agenda unless the Task Force decides to amend the Agenda. Any indisposed matters will be placed on the Agenda for the next Meeting.

Recommendations to Council

Task Force Members will seek to reach consensus wherever possible. If for whatever reason, consensus cannot be achieved, the Task Force Members may agree to a recommendation, through another process, such as voting or permitting dissenting reports.

Recommendations to Council shall be in the form of a Presentation, Administrative Report or written clear recommendations (i.e. identifying options) in the conclusion of the Task Force Notes of the meeting, with supporting documentation. These recommendations, shall be presented as Motions to Council for consideration.

Notes of the Task Force

Task Force Notes shall be drafted by the Secretary and provided to the Task Force Members for approval in principle. Once approved in principle by the Task Force, the Notes will be provided to the Clerk for inclusion in the next Council Agenda for information purposes and consideration of the recommendations. Once the Notes of a Task Force meeting have been received by Council, they shall be posted by the Clerk on the Website.

Sub-Committees

The Task Force may establish a Sub-Committee to deal with a specific task/matter that is specific to a Task Force. Members of the Sub-Committee shall:

- a) Be appointed by the Task Force; and
- b) Make recommendations to the Task Force. Council or the Task Force may disband a Sub-Committee at any time when determined the Sub-Committee's mandate has been met; or the Sub-Committee is no longer required.

Expenses Incurred by Task Force Members

Task Force Members' travel expenses to attend Task Force meetings and related business will be reimbursed by the Township. The Task Force Members shall be paid mileage expenses at the per kilometer rate as determined by Council.

Indemnification of Voluntary Sector Members

Voluntary sector Representatives serving as Members of the Task Force are extended the same risk management principles as Members of Council/Committees and staff when it comes to matters of liability and insurance; and would therefore be considered "volunteers" under this policy.

Resignation or Removal of Members

If a Voluntary Sector Member resigns or is removed from the Task Force, Council may appoint a Member from the previous recruitment. The appropriate Manager will contact the selected former applicant(s) regarding their interest in serving on the Task Force and report back to Council in a Closed Session. Council may direct the appropriate Manager to advertise the vacancy of the positions and report back with the applications.

Disbandment

The Task Force shall disband in accordance with the Terms of Reference, unless otherwise approved by Council. Council may also disband the Task Force if in the opinion of Council, the Task Force is no longer required. Council shall pass a Resolution to disband a Task Force.

Accountability:

Council members and Township employees are accountable for their participation on the Housing Advisory Task Force through the normal reporting structure to Council.

Conflict of Interest Guidelines:

Council Members are responsible for complying with the Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50 and the Code of Conduct for Council Member and employees are responsible for complying with the Township's guidelines and policies on conflict of interest.

Note: This Terms of Reference is worded in accordance with the Township's Procedural By-law, as amended. The Chair will advise the Task Force of any amendments made by Council to the Township's Procedural By-law in regards to Task Forces.



Housing Advisory Task Force

2025 Meeting Dates

**Municipal Office – Council Chambers
6648 Road 506, Plevna**

September @

October @

November @

December @

2026 Meeting Dates

January @

February @

March @

April @

May @

June @

July @

August @

September @

October @



Housing Advisory Task Force

2025 Work Plan - DRAFT

Objectives

1. Develop a working understanding of the housing market
2. Develop and recommend changes to encourage the development of housing stock
3. Identify and promote a range of housing options targeted at encouraging the development of housing stock including Public-Private Partnerships (PPE's)
4. Provide housing related information, advice, and recommendations to Council including advice regarding housing in general, seniors housing, rental housing, homelessness, and the precariously housed but not including social housing

Initiatives

1. Gain and maintain an understanding of the current state of the housing market with a focus on the development and construction of affordable housing
2. Identify and recommend solutions to minimize and/or eliminate barriers to housing development
3. Identify and recommend solutions to increase housing density and reduce associated costs
4. Work with industry representatives, Township and County staff, Economic Development Task Force, and the Environment Task Force to identify and recommend solutions regarding the potential housing development projects with a focus on the construction of affordable housing

Affordable housing **Thriving Community**



THE STRUGGLE

The affordable housing subcommittee has been struggling to find the best way to help with the affordable housing crisis that is gripping the country. With somewhere between 25,000 and 35,000 homeless people in Canada most of which choose Ontario streets to call home. The lack of housing that is under 30% of a single persons income is almost non-existent. Most minimum wage jobs are not even full time leaving people struggling to either eat or pay rent/mortgage.

For a single individual working 40 hours per week at an hourly rate of \$20, gross earnings are about \$3400 per month. A standard measure of ‘affordable housing’ is 30% of gross income, or \$1020 per month in this case. Due to the topography and “seasonal” nature in North Frontenac we propose to add housing directed to entry or exit level housing purchasers, either young families in need of housing or retirees looking to downsize.

The housing provided in both options below will be designed to be revenue neutral, net zero and affordable.

THE RESEARCH

Based on our research there are quite a few tiny home communities already helping provide affordable housing options in Canada.

- **Project Tiny Hope**, in *St Thomas Ontario*. This small development offers 1 bedroom, 2 bedroom and a few 3 bedroom tiny homes ranging from 400 to 700 sq ft. The buildings are designed to be Net Zero. Supported by YMCA and the City of St Thomas this small 40 unit community is making a big impact.
- **12 Neighbours**, Although not much to look at, YET! 12 Neighbours is helping in big ways. These small batcher style tiny homes are approximately \$70,000 to build. This small community will end up having 99 homes and a work shop for building more homes, creating jobs for the people that call this community home. 12 Neighbours is also supporting the entrepreneurs with in the tiny community with their businesses. <https://www.12neighbours.com/>



- **Brauer Homesby** - *Kingston, Ontario*. This trusted home builder is offer the living pod. The cost to purchase one of these beautiful homes is approximately \$175,000 including the foundation.

THE SOLUTION

After many, many meeting and hours of research, our small subcommittee has decided that going small is the best way to make a big impact. With the **TWO** options below we will show that a revenue neutral tiny development can not only help many people in North Frontenac but could add valuable tax support to the municipality.

OPTION #1

A Housing Proposal for North Frontenac- John Inglis - Oct. 31/24

Summary

This project is designed to be revenue-neutral for the township. It will be shown below that capital grants amounting to 57% of the total cost must be in place for it to be revenue-neutral. The following report is part of the 'shovel-ready' process necessary to capture grants from upper levels of government. The project is designed to provide quality, secure affordable housing for families and individuals with limited incomes. This report describes the creation of two houses that would be built by the township and sold to qualified individuals, on a single property owned by the township. The owners of the two houses lease the land under a 50 year lease agreement. They are free to sell the houses on the open market after 5 years from the original purchase date.

The purchaser of each house must pay a \$20,000 down payment. Mortgage payments are set at \$800 per month for a period of 30 years; the mortgage is held by a bank, the township secures the mortgage, and the house owner holds the mortgage and makes payments directly to the bank. Taxes ,utilities, property lease payments, insurance and maintenance are the responsibility of the owner. If the original purchaser lives in the house for 30 years, makes all mortgage payments, and has no outstanding property tax or property lease payments, the mortgage will be considered fully paid.

If the original purchaser sells after the minimum 5 year period, the balance owing on the house will be calculated from the full construction cost (including grants received) less the principle paid down on the mortgage, using market interest rates.

The township's financial and project co-ordination involvement in this project is crucial. It cannot happen without a mortgage guarantee from the township. It won't happen unless the township takes it on as an initiative. The advantage of selling to a qualified applicant rather than renting, is that the township does not have to set up a housing agency. Secondly, purchasers are far less likely than renters to treat the asset poorly. Thirdly, in the unfortunate event of multiple missed mortgage payments, or of failure to pay insurance, lease charges or property tax, foreclosure is a simpler process than rental eviction.

Physical Description

Two 'tiny homes' will be built on a lot at least 0.4 hectare (1 acre) in size. The houses will share one septic system but will have independent drilled wells. Each house has a living area of 550 square feet on one floor plus a finished basement. The lot will be landscaped to provide a paved driveway and parking area for a single vehicle, plus a lawn area around each house. The house is equipped with appliances, a heat pump, and backup electric baseboard heating.

Physically, the house is described as 'super-insulated', including triple glazed windows, R60 wall insulation, R100 ceiling insulation, and an air exchange system. It is situated to take advantage of solar radiation in the winter.

The homeowner will make lease payments to the township on a monthly basis. In exchange the township will mow lawns and plow snow.

Financial (not including land purchase)

Description		
House supply and construction (kit from Ekobuilt, Carp Ont.) (including appliances)	\$	310,000.00
Servicing cost (hydro, well, septic, landscaping)	\$	60,000.00
Total before-tax cost for ready-to-move-in home	\$	370,000.00
	HST \$	48,100.00

Description	
HST rebate	\$ (30,000.00)
TOTAL INCLUDING TAXES	\$ 388,100.00

Mortgage payments of \$800 per month, 5%, interest, 30 year term, pay off a loan of \$149,000

Down payment	20,000
Grant required	219,000 (56.4% of capital cost)
Total of mortgage, down payment, grant	388,000

An argument for not including land cost is that the township continues to own the land regardless of the ownership of the houses. If purchased, the land becomes part of the township's asset list. If already owned, there is no cost.

Cost of Ownership

Description	
Monthly Mortgage Payment	\$ 800.00
Property Tax	\$ 250.00
Lease Payment	\$ 170.00
Insurance	\$ 170.00
Maintenance Fees	\$ 150.00
TOTAL MONTHLY PAYMENTS	\$ 1,540.00

For a single individual working 40 hours per week at an hourly rate of \$20, gross earnings are about \$3400 per month. A standard measure of 'affordable housing' is 30% of gross income, or \$1020 per month in this case. This project would cost that individual 45% of their gross income.

Possible Scenarios

A- Original purchaser stays for 30 years, pays off mortgage:

in this case the township is fully reimbursed for it's net investment in the project, of $(388,000 - 20,000 - 219,000) = \$149,000$. Plus interest of \$139,000. There remain 20 years on the land lease agreement, which can be re-negotiated or left to run its term.

B- Original purchaser sells the house after the minimum 5 year period:

the owner of the house must pay the balance owing on the mortgage (137,000) plus the grant amount (219,000); a total of \$356,000. In this case the township is fully paid for its mortgage balance plus \$36,000 interest plus the full amount of the grant.

C- Original owner sells the house after 10 years:

The owner of the house must pay the balance owing on the mortgage (121,000) plus the grant amount (219,000); a total of \$340,000. In this case the township is fully paid for its mortgage balance plus \$68,000 interest plus the full amount of the grant.

Note that if the house is sold at any time before the 30 year term of the mortgage ends, the township receives the grant money back. It can be used as partial payment toward a new project in the future. One fault of this proposal is that can quickly take a project out of the affordable housing category if the original purchaser can sell the home for an inflated price after 5 years. Perhaps a 10 year prohibition on a sale would be better. A counter-argument is that even if the house is sold at a high market price, an additional high-quality home has been added to the community inventory; the township can decide to use recovered grant money to build more affordable housing.

OPTION #2

Affordability at a larger scale -
Stephanie Regent, John Inglis and Danielle Kecso

Summary

To build a small community, at an affordable price, that packs a big punch. This revenue neutral tiny community will provide up to 100 homes over 10 years. Each phase will include 10 units. We propose that the building supplies be purchased from a local company, with luck at a bulk prices and built by local builders avoiding the costs of house for workers and limiting travel costs. This plan helps “keep the money” in North Frontenac and provides much needed work for our local community members over the next 10 years. To help keep the cost even lower we ask that the township waive all permit fees for this development. And we apply for any grants possible to keep the costs even lower.

Physical Description

The Tiny Community: Each dwelling will be approximately 400 to 700 sq. ft. Options will be limited to keep the costs low. Bachelor, Single Bedroom, Two bedroom and 3 bedroom options will be available.

Lot size: Minimum 10 acres, designed with ample natural features and walking trails. The houses will be built 10 per year, each set of 10 units will have a green space with septic field and a common water system. The house will come with all appliances.

Ownership: Individual units will be owned by the customer with purchase and sale limits in place to help keep the units affordable over time and avoid speculation. The property will remain owned by the township or as an option owned and maintained by a non-for profit. A small monthly maintenance fee will be in place to cover the cost of the private laneway and future property maintenance within the tiny community.

Single Year Development Financials (not including land purchase)

Estimated Price for 10 Units of Single Bedroom units.

Single Bedroom Unit	\$175,000 - 10 Units	\$1,750,000
(Price based on Brauer Homesby Living Pod)		
10 Unit Utility Set Up	\$60,000 per unit	\$600,000
Including, Laneways, Septic, Pump House and Electrical		
Management Fees		\$75,000
TOTAL PER YEAR FEES:		\$2,425,000

Funding Options: The first 2 years or \$4,850,000* will need to be borrowed by the township from a bank. CMHC may be able to help with grants and no or low interest loans. Once units start to sell the money will be used to fund the next years development. Once all units are sold the entire project will be revenue neutral.

Cost of Ownership

Each unit will be sold at cost or approximately + Sales Fees \$242,500
Minus any grants we are able to secure.

Description		
Monthly Mortgage Payment with a 5% down payment and current interest rates of 4.64%	\$	1,266.00
Property Tax	\$	125.00
Land Lease Payment	\$	170.00
Insurance	\$	170.00
Maintenance Fees	\$	110.00
TOTAL MONTHLY PAYMENTS	\$	1841.00

Unfortunately this scenario for a single person working a minimum wage job would not be considered affordable. However if we consider our target market of young couples and retirees looking for entry and exit level homes. This would be considered a very affordable option. Especially, if we can apply some grants to the costs of the project.

CONCLUSION

With a little bit of effort affordable housing can be brought to North Frontenac.

Hi Brooke.

I've attached the 2019 North Frontenac Business Plan, an Admin Report dated January 15, 2021 completed by Cheryl Robson (previous CAO) along with Council Resolution # 08-21 to go along with it.

I've also attached a copy of RFP 2021-12. We did not receive any submissions.

From there Council directed the CAO and Treasurer to meet with the Social Services Agencies and review potential services they could provide to keep seniors in their homes rather than build (Attached Resolution # 357-22) and previous Mayor Higgins requested County permit NF to use money originally slated for Seniors Housing to go towards this project. This request to use County money for a project other than bricks and mortar was not approved by County Council.

In 2022 Council reallocated \$100,000 approved in 2022 budget from the Contingency Reserve Fund for Seniors Housing to be placed in a new Seniors Reserve Fund (see Res #269-22 attached).

In 2023 Council approved a pilot program to partner with Rural Frontenac Community Services and Land O'Lakes Community Services regarding home maintenance services and in 2024 approved the program to include indoor and outdoor services, subsidy for meals on wheels and transportation services to continue for 2024-2027. Program to be reassessed in 2027 during budget deliberations (Res #249-24 attached). This funding is coming from the \$100,000 Seniors Reserve Fund that was reallocated in the 2022 Budget (see above).

It is my understanding the County will fund 33.75% of a project to a maximum of \$337,500 towards a Seniors Housing, bricks and mortar project in North Frontenac Twp; however it is important to understand that in order to be able to take advantage of the full \$337,500 NF project would need to spend \$1 million.

Have a great day.

Corey.

Corey Klatt, Dipl.M.A

Chief Administrative Officer



Administrative Report

To: Mayor and Members of Council

From: Cheryl Robson, AMCT, Chief Administrative Officer 
CAO's Initials

Date of Meeting: January 15, 2021

Re: Seniors Housing Project

Background

On June 19, 2020 Council passed Resolution #246-20:

Be It Resolved That Council receives the Chief Administrative Officer's Administrative Report entitled "Seniors Housing - Options for Consideration re: Existing Not-for-Profit Entity or a Private Developer" for information purposes; **And that** as recommended by the working group, Council approves to hire Re/fact Consulting to provide Council with a Business Plan on the Options for Consideration regarding Existing Not-for-Profit Entity or a Private Developer an estimated cost of \$10,480 for Steps 1-3 coming from the Contingency Reserve Fund.

Carried

On July 17, 2020 Council passed Resolution #263-20:

Whereas Council passed Resolution #246-20 at their meeting on June 19, 2020 to hire Re/fact Consulting to provide Council with a Business Plan on the Options for Consideration regarding Existing Not-for-Profit Entity or Private Developer for an estimated cost of \$10,480 for Steps 1-3 coming from the Contingency Reserve Fund;

Therefore Be It Resolved That Council receives for information the presentation from Ken Foulds, Re/fact Consulting regarding Procurement of Seniors' Housing; and thanks him for his time spent today;

And That Council request Re/fact work with the working Committee on drafting an RFP for Council's review.

Carried

On August 14, 2020 Council passed Resolution #298-20:

Whereas Council passed Resolution #263-20 at their meeting on July 17, 2020 requesting Ken Foulds, Re/fact Consulting, work with the Seniors' Housing Working Committee on drafting an Request for Proposal (RFP) for Council's review (i.e. a minimum of five (5) affordable Seniors Housing units);

Therefore Be It Resolved That Council receives for information a Report confirming the Seniors' Housing Project Parameters for the RFP, which included areas where the Working Group felt further consideration was required including:

- Confirming Municipal property that North Frontenac will offer for the RFP;
- Provision of other incentives by North Frontenac (i.e. capital grant, property tax relief, waiving Building Permit and Land Use Planning fees, etc.);

And That the Working Group is seeking feedback from Council on these key elements in order to help advance development of a draft RFP document;

And That in order to be able to offer incentives and to comply with the Municipal Act, Council instructs the Clerk, in consultation with Re/fact Consulting, to draft a general Municipal Capital Facilities Parent By-law (for the Solicitor's review) to permit the Township the authority to enter into Agreements with private and non-profit sector partners for the provision of municipal services and facilities, and to provide financial and other forms of assistance to such partners;

And That Resolution #649-19 approved Cloyne as the preferred location if this project proceeds; however if the Township offers land as a contribution, having the site screening/technical information would be helpful to attract Developers (i.e. Environmental Site Assessment, Potable water supply, Septic system, soils assessment, etc.); and the Township does not have any of this information already completed for any municipal property;

And That Council approves offering the Cloyne (preferred) and Plevna sites and Council approves-in-principle to offer a Capital Township Grant of \$100,000;

And That Council also offer the following incentives: property tax relief and Council will waive all Building Permit and Land Use Planning fees;

And That the \$100,000 Grant and all incentives (for a new development or redevelopment of an existing property) are subject to Solicitor's advice first, prior to Council approving the By-law(s) and the final draft RFP for the Treasurer to issue;

And That the Treasurer be authorized to transfer the monies for the Solicitor's advice and the \$100,000 Grant from the Contingency Reserve Fund.

Carried

Researched By

Ken Foulds, Re/fact Consulting

Cheryl Robson, AMCT, CAO

Tara Mieske, Dipl.M.A., Clerk/Planning Manager

Kelly Watkins, Treasurer

Brooke Hawley, CAO Executive Assistant (CEA)

Comments

Municipal Housing Facility By-law

This Municipal Housing Facility By-law is required to permit the Township the authority to enter into Agreements with private and non-profit sector partners for the provision of municipal services and facilities, and to provide financial and other forms of assistance to such partners.

This By-law is considered the Parent By-law and could be used for other affordable housing projects. There will be a future By-laws to enter into an Agreement which will include the details for this specific project and a separate By-law to approve the tax exemptions.

Township staff in partnership with Ken Foulds, Re/fact Consulting (Consultant) and Tony Fleming, Solicitor have drafted the Municipal Housing Facility By-law.

Some of the provisions included in the draft By-law and the rationale for these are as follows:

Definition "Average Market Rents" means 80% of the average monthly rents for the Kingston CMA by unit type, as determined in the annual fall survey of Kingston CMA rents for the prior calendar year published by the Canada Mortgage and Housing Corporation (CMHC); (Note: CMHC has provided this for the last 20+ years) if CMHC does not publish an annual fall survey of Kingston CMA rents for the prior calendar year, then Average Market Rents for the calendar year shall be Township-wide average rents as determined by the Township's Chief Administrative Officer.

The Consultant noted that CMHC does not survey rents in the northern area of Frontenac County and as such, does not have local data for North Frontenac Township; however, the Consultant completed a survey of private landlord rents in our area as part of the original business plan and when compared to the Kingston CMA data, local rents were approximately 80% of those average rents; therefore it is recommended this 80% guideline be used to calculate the Average Market Rents.

Definition "Below Market Rent Unit" means housing units, with Monthly Occupancy Costs at or below 80 per cent of Average Market Rents by type.

It is the Township's intention to provide some of the units at below market value. It is recommended the Township use 80% of the Average Market Rent to determine this value.

Definition "Initial Income Limit" means a gross household income at or below four times the annualized Monthly Occupancy Costs for the Housing Unit.

This formula is used as an affordability threshold to ensure the units are provided to persons who require affordable housing based on their annual income.

Definition "Monthly Occupancy Costs" means in the case of a Housing Unit, the monthly rent payable directly to the landlord for a housing unit which may include utility charges but which shall not include charges for parking, cable, telephone or any other like ancillary charges.

This section is worded so the landlord can choose to include utilities or not in the rent. If utilities are included the unit will be more affordable. The RFP scoring will include additional points if utilities are included in the rent.

Section 2 provides the requirements the Township must meet prior to entering into a Municipal Housing Project Facility Agreement, including the adoption of a By-law to enter into an Agreement for the project; ensuring the housing units included in the project meet the definition of affordable housing; and ensuring eligibility is provided for.

Section 3 sets out the requirements to ensure the units are provided to households with low to moderate income. It also includes a clause to address any potential conflict of interest with the Housing Provider.

Section 4 sets out the terms and conditions which must be included in the Municipal Housing Project Agreements. The Chief Administrative Officer and Solicitor are permitted to include additional terms and conditions if required, for Council's consideration.

Section 5 provides the types of incentives that can be provided by the Township as part of a Municipal Housing Project Facility Agreement including, providing or lending money; providing, lending, leasing, or selling of property; and tax incentives.

Request for Proposal (RFP)

January 2021 is the proposed release of the RFP. As there are issues reviewing properties due to weather; therefore, the RFP submission deadline should not be until May 2021. This will also allow for a longer timeframe for proponents to prepare their proposal (i.e. proponents possible grants, funding, etc.).

Staff and the consultant are looking for additional clarity from Council on minimum project standards such as the number of units to be included in the project and how many need to be one bedroom and two bedroom. Also, Council will need to confirm how many of the units will be provided at average market rent and the number below average market rent. Also, Council needs to determine if any or all of the units would be accessible and to what level.

The Business Plan for Seniors Housing - Township of North Frontenac dated June 2019 prepared by Re/fact Consulting set out the Preferred Project Concept (for a Township owned facility) as follows:

- 5 self-contained rental apartment units configured around a common, double loaded corridor
- Of these units, 4 would be one bedroom units (600 s.f.) and 1 would be a two bedroom unit (750 sq. ft.) – one unit would be semi-modified for mobility needs
- Units would be geared to seniors (65+) who are able to live independently.
- Market rents charged for all units would be equivalent to average market rents in the area and would not include utilities (i.e. heat/hydro paid by tenants)
- Where IAH-type funding is secured for the project (i.e. senior government grant programs designed to create affordable housing), the rents charged for funded units would be no more than 80% of the average market rents
- Laundry facilities and a modest common room would be provided for tenant socialization
- Total initial building Gross Floor Area (GFA) is estimated to be in the order of 4,000 s.f. (GFA)
- Building construction is anticipated to be in a single storey, slab-on-grade form with conventional wood framing and a standard sloped roof
- Water and septic services for the project would be provided via private on-site systems
- To facilitate aging in place, the building and the units would be designed to a visitable standard
- Surface parking for 8 spaces would be included in the project.

Recommended Scoring Bonuses for RFP

- Priority Location
 - o Cloyne (1st) and Plevna (2nd) Township Property
 - o Maintaining existing uses on Township property
- Proximity to amenities and services (for proponents using own land)
- Readiness of site for development and timeline for achieving occupancy
- Highly efficient energy saving features
- Integrating visitable design for accessibility
- Equity provided by proponent
- Depth/duration of affordability provided
- Including utility costs within rents
- Providing laundry facilities within each unit
- Including a modest common room for tenant socialization

Next steps (if Council approves the Municipal Housing Facility By-law)

1. Issue RFP January 2021;
2. Proposals received by May 2021 and evaluated by Consultant and Staff;

3. The RFP will be tentatively awarded subject to steps 4 and 5 below;
4. If a proponent proposes to use a Township property, Land Use Planning reviews and technical studies will be conducted by the Township to ensure the property is suitable for the proposed development (i.e. delays);
5. Upon selection of the preferred proponent, the Consultant and Staff will prepare the Municipal Housing Project By-law (details for this specific project) and Tax Exemption By-law for the Solicitor's review prior to Council's consideration;
6. Upon adoption of the project bylaws, the Consultant and Staff will prepare the Municipal Housing Project Facility Agreement for the Solicitor's review prior to the proponent and CAO signing.

Financial Implications

Incentives to be offered by the Township

1. **Township Property** - Council approved offering the Cloyne (preferred) and Plevna sites per Resolution #298-20
 - a) Cloyne Site – The Cloyne site is currently used for recreational use and includes tennis courts, a ball diamond, and recreation (picnic) area. The property is 5.74 acres with 500 feet of frontage. The assessed value of the property is \$69,000. The property is zoned Hamlet which permits a Dwelling - Apartment. There is a restriction on title to the Cloyne property imposed by the Crown when the property was originally transferred to the Township of Barrie that the property shall be used only for the purpose of public recreation site. Prior to sale the Ministry of Natural Resources and Forestry will need to consent to the sale.
 - b) Plevna Site – The Plevna site is currently used for the Plevna library. It is also a work area for the Crown Land Stewardship Program and Recreation staff. There is also a building used for general storage for the Township. The property is 3.04 acres with 350 feet of frontage. The assessed value of the property is \$139,000. The property is zoned Hamlet which permits a Dwelling - Apartment.

Concerns With Use of These Township Properties

If the Township wishes to retain the current use on these properties only a portion of the property will be able to be transferred for the area to be used for the Seniors Housing project. The costs associated with the conveyance will include surveying costs and legal fees. Also, if the proposed area of either of the parcels does not meet the minimum requirements in the Zoning By-law (i.e. area and frontage) for a new lot a minor variance or zoning amendment will be required. The time to complete the surveying and transfer will delay the process.

Council could consider an Agreement with the Service Provider to allow the Township to lease a portion of the land for Township purposes; however there may be concerns with liability, especially for public use. A properly drafted lease can reduce the exposure of liability for the Township.

The other option, if these properties are used, would be to relocate the existing use to another location. There would be costs including the acquisition of land, planning and building permit fees, and building/development costs.

Where the preferred proponent intends to use one of the Township's properties, an assessment of the property will be required to ensure it is suitable for the proposed development. Based on this assessment it may be determined the site is not suitable for the proposed use (i.e. water supply, servicing plan, environmental concerns, etc.). Until this assessment is completed, the suitability for intended development, potential time delays and the costs to complete the severances (if required) and/or relocate the facilities will not be known.

The RFP will require that where the proponent wishes to use one of these properties, they will need to include in their proposal a plan for how site uses would be configured/divided to accommodate both the current uses and the Seniors Housing Facility or whether the current uses will need to be removed. The RFP will also note for proponents that prior to approving any project, a property assessment will need to be completed by the Township to ensure the proposed project is suitable for the proposed use.

As the location of the Seniors Housing Project is important and these sites were chosen by Council based on their location (within/close to Hamlet), the RFP scoring will include additional points for a suitable location.

2. Capital Township Grant - Council approved-in-principle to offer a Capital Township Grant of \$100,000; the \$100,000 Grant and all incentives (for a new development or redevelopment of an existing property) subject to Solicitor's advice first, the Treasurer is authorized to transfer the monies for the Solicitor's advice and the \$100,000 Grant from the Contingency Reserve Fund per Resolution #298-20.

3. County Seniors Housing Grant - County dollars – estimated at \$337,500.

4. Proposed Tax relief - Municipal/County/School Board Tax Relief

- 100% property tax exemption in year 1
- 50% property tax exemption in year 2
- 25% property tax exemption in year 3
- The owner pays full taxation in year 4

The exemption would not be effective the first full year of assessment as determined by the Municipal Property Assessment Corporation (MPAC). This could mean the successful proponent will pay full taxation for part of a year and then begin the Proposed Tax Relief schedule above.

The level of tax relief may need to be revisited and could potentially be increased. There may be a need to negotiate this with eligible proponents depending on the proposals received.

5. Proposed Permit Fee Relief

- Township Building Permit Fees for the number of units required to be built (i.e. if the proponent decides to build additional units, the proponent would be responsible for the additional costs). These fees are 100% Township dollars. The estimated cost for the required permit is \$10,000 for 5 units.
- Septic Permit Fees
 - o If the system is for less than 10,000 litres per day a permit will be issued by the Township. These fees are 100% Township dollars. The estimated cost for the required permit is \$950.
 - o If the system is for greater than 10,000 litres/day a permit will be issued by the Ministry of Environment, Conservation and Parks. The approval and permit fees for other agencies are unknown. These fees are not Township dollars and therefore fee relief would not be available.
- Township Land Use Planning Fees (i.e. rezoning, site plan, and/or variance fees) – The planning applications required are unknown at this time as it depends on the property chosen to develop. These fees are 100% Township dollars. As the required Applications are unknown the amount is unknown but the upset limit would be approximately \$2,500 (i.e. \$1,000 Zoning By-law Amendment plus \$1,500 for a Site Plan).
- Other Agency Approvals/Permits/Fees (i.e. Conservation Authorities, Ministries, etc.) – The approval and permits for other agencies are unknown. These fees are not Township dollars and therefore fee relief would not be available.

It is recommended that permit fee relief apply only to the Building Permit Fees, Septic Permit Fees and Land-Use Planning Fees as set out in the Township's Fees and Charges By-law. It is not recommended the Township reimburse the proponent for outside Agencies fees

Where a proponent brings forward a proposal using property other than one of the municipal sites, land use approvals, taxes and applicable fees may vary. In all instances, the incentives offered by the Township other than land, may only be applied to those rental units which are deemed affordable per the Municipal Housing Facility By-law (i.e. rents at or below average market rent). Where additional residential units or other non-residential space is included as part of the proposed project, they shall not be eligible for such incentives.

Recommendation

Be It Resolved That Council receives for information the Chief Administrative Officer's Administrative Report entitled "Seniors Housing Project";

And That Council will consider a By-law later in the Meeting to adopt the Municipal Housing Facility By-law (Parent By-law);

And That Council will not receive a copy of the draft Request for Proposal (RFP) before it is released to ensure a fair competitive process and instructs the Treasurer to issue a Request for Proposal (Release date: January 2021 and the RFP submission deadline May 2021) to include:

- A minimum of five (5) self-contained rental apartment units;
- Of these units, a minimum of one (1) unit will be a two-bedroom;
- Of these units, a minimum of one (1) unit will be modified to a universal design standard to accommodate mobility needs;
- The five (5) units will be made available to residents who are 65 years of age or older only;
- Of the minimum five (5) units, all units shall be rented at or below Average Market Rents as defined in the Municipal Housing Facility By-law and two (2) units shall be rented at no more than Below Market Rent Unit levels;

And That Council instructs the Treasurer to include the following incentives in the Request for Proposal (RFP) being issued:

1. **Township Property** - Council approves offering the Cloyne (preferred) and Plevna sites;
2. **Capital Township Grant** - Council approves-in-principle to offer a Capital Township Grant of \$100,000;
3. **County Seniors Housing Grant** - County dollars – estimated at \$337,500;
4. **Proposed Tax relief** - Municipal/County/School Board Tax Relief
 - 100% property tax exemption in year 1
 - 50% property tax exemption in year 2
 - 25% property tax exemption in year 3
 - The owner pays full taxation in year 4As a minimum to include in the RFP and may need to be revisited once the proposals are received.
5. **Proposed Permit Fee Relief** - permit fee relief applies only to the Building Permit Fees, Septic Permit Fees and Land-Use Planning Fees as set out in the Township's Fees and Charges By-law and the Township will not reimburse the proponent for outside Agencies fees.

And That Council authorizes the Treasurer to transfer the monies for all Township funded incentives and legal fees from the Contingency Reserve Fund;

And That Council instructs the Clerk to contact the Ministry of Natural Resources and Forestry regarding the Notice registered on title requiring the Cloyne property to be used for a public recreation site and to advise them Council is considering using the property for affordable housing; however depending on the proposal, the current recreation uses on the property may be able to be maintained and to see if they would be agreeable to removing the Notice for this use.



THE CORPORATION OF THE TOWNSHIP OF NORTH FRONTENAC

Request for Proposal - RFP#2021-12

"Provision of Affordable Housing Units for Seniors"

CLOSING DATE: Thursday, June 24th, 2021 @ 2:00 p.m. (local time)

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1 ABOUT THIS PROPOSAL CALL

1.1 The Purpose of the Proposal Call

The purpose of this Request for Proposals (RFP), issued by the Corporation of the Township of North Frontenac (hereafter “the Township”), is to facilitate the development of affordable housing units for seniors in the North Frontenac area. Using resources and incentives being made available by the Township and the County of Frontenac (hereafter “the County”), it is anticipated that this RFP will help to support the development of a minimum of 5 rental units that will provide long term affordability for seniors in the community.

1.2 Background

In 2012, the County undertook a “*Seniors Community Housing Pilot Project Study*” that examined seniors housing needs within the County and a range of possible solutions to address them. The study identified preferred options for addressing these needs across the County and based on the resulting recommendations, the County allocated a pool of capital funding to help facilitate seniors housing. The intent of this pool was to help create housing options for seniors in each of the four constituent townships within Frontenac County.

In 2018 the Township undertook an assessment of local seniors housing needs which included a survey of local households. The results of this survey were also evaluated in the context of local housing supply to identify where unmet needs or gaps existed. The analysis showed that with an aging population, a modest demand exists for affordable purpose-built rental housing that is geared to seniors.

Following on this analysis, a review of potential housing options within the Township was undertaken to determine suitable project concepts and evaluate their financial viability. Based on this analysis and assessment, a formal business case was developed in 2019 which demonstrated the need and viability for a small scale seniors project in North Frontenac.

As a result of this work, the Township elected to pursue the development of an affordable seniors housing project via a suitable community proponent. To that end, the Township enacted a Municipal Capital Facility Bylaw to support these efforts late in 2020. This bylaw enables the Township to offer a range of incentives in exchanges for affordable housing.

1.3 Objectives

To increase the supply of needed additional affordable housing for seniors, the Township is seeking proposals from existing private and not-for-profit housing providers

who are interested in providing new or renovated affordable housing units in the Township.

Through this RFP, the Township is making available an array of resources and incentives to a successful proponent in exchange for the development and provision of affordable rental housing units for seniors.

The Township is offering the following range of resources and incentives to support the development of seniors affordable housing:

- Land – one of two potential properties; one located in Cloyne and one in Plevna
- Township and County capital funding – up to \$437,500
- Initial property tax relief – estimated to be equal to \$10,500 based on a three year stepdown schedule
- Fee waivers – exemption from building permit fees, septic permit fees and land use planning fees where applicable, estimated at a value of up to \$13,500

It is anticipated that collectively, these resources will help to increase the supply of seniors affordable housing in the community by a minimum of five or more rental units.

In order to access available resources/incentives, the successful proponent will need to address a number of mandatory requirements. Among other things, the successful proponent shall:

- Develop and manage the affordable rental housing units within the Township, ensuring they are of reasonable size and durable composition
- Ensure funded affordable units are geared to local seniors and rented at or below average market rents for the area
- Maintain unit affordability for a minimum period of 20 years
- Provide annual reports on project status during the life of the agreement
- Enter into an agreement with the Township that governs the terms and conditions of funding

Unlike prior senior government social housing programs, **NO** on-going Township operating subsidies will be provided for units developed under this RFP. Proponents are therefore expected to manage and operate the proposed project within their own means and as such, must demonstrate their ability to operate viably within this financial framework. In addition to mandatory requirements, a range of preferred project elements have also been identified which will be considered in the evaluation of proponent submissions.

1.4 Proposal Schedule

To assist proponents in planning for their proposed submission, the following tentative schedule is provided:

Date RFP Released	May 13 th , 2021
RFP Information Session (mandatory)	June 3 rd , 2021
Deadline for questions/enquiries	June 17 th , 2021
Response to questions/enquiries	no later than June 21 st , 2021
RFP Closing Date and Time	June 24 th , 2021 at 2:00pm
Evaluation and recommendation of successful proponent	Anticipated July 2021
Conditional approval by Council, issue Conditional letter of Commitment	Anticipated July 2021
Clearance of conditions, formal Council approval of project	Anticipated by Fall 2021
Execution of Contribution Agreement with proponent	Anticipated by Fall 2021
Proponent commencement date for construction/renovations	Within 120 days of signing Contribution Agreement (Fall 2021)

While every effort will be made to meet the above-noted date, the Township reserves the right to modify any and all dates at its sole discretion.

1.5 Information Meeting

A mandatory information meeting will be held on **June 3rd, 2021** in order to provide additional information and answer any questions proponents may have. All interested proponents should participate in the information session to secure further information and clarifications regarding the RFP. The time and location of the meeting shall be conveyed by the Township by issuing an addendum to all registered proponents. The Township may, at its discretion, schedule additional meetings by issuing further addenda.

2 SUBMISSION INSTRUCTIONS

2.1 General

Proponents shall submit complete proposal packages in order to be considered. Those proponents with proposals for more than one project must submit a separate proposal package including all required schedules for each project. Each proposal package shall consist of:

1. Requisite Schedules #1 through #12 required as part of this RFP, duly executed and provided in the format specified;
2. A written narrative addressing all proposal requirements in the specific order and outlining details of the proponents proposed project;
3. Such ancillary materials as the RFP requires and which are identified in the RFP checklist (see Schedule 12); and,
4. Other supporting materials that are directly relevant to the proposal and which the proponent may deem appropriate for supporting the proposal.

Submission of a proposal indicates acceptance by the proponent of all the terms, conditions and specifications contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the formal contract between the Township and the successful proponent. Deviations from the RFP must be clearly identified in the written submission.

This Request for Proposal document, the proponent's response to this solicitation and subsequent Contribution Agreement contemplated with the successful proponent shall form the basis of the binding contract to be executed between the parties.

2.2 Closing date and time

Submissions will be accepted by mail, e-mail or via Biddingo.com (Bidding website)

a) By Mail/Courier:

Proponents are to provide one (1) original hardcopy of their submission along with one (1) electronic copy in readable format in a sealed envelope/package, clearly identified as to the contents and addressed to:

**The Corporation of the Township of North Frontenac
ATTN: Cheryl Robson, Chief Administrative Officer
6648 Road 506
Plevna, Ontario K0H 2M0**

Submissions shall be submitted as set out in this RFP, using the prescribed form, in a sealed envelope/package, **clearly identifying on the envelope/package "RFP #2021-12 - Provision of Affordable Housing Units for Seniors"**.

Note: North Frontenac is in a rural area. Therefore, courier services cannot always guarantee next day delivery. Please ensure you allow sufficient time for your submission to arrive on time.

b) By E-mail:

Submissions shall be submitted as set out in this RFP, using the prescribed form, and submitted by e-mail to tenders@northfrontenac.ca with the following in the Re: line of the e-mail “**RFP #2021-12 - Provision of Affordable Housing Units for Seniors – do not open until June 24th, 2021 at 2:15 PM local time**”.

E-mail will remain unopened until the opening date and time. E-mails sent to any other e-mail address than tenders@northfrontenac.ca will not be considered.

c) By Biddingo.com:

Submissions shall be submitted as set out in this RFP, using the prescribed form, and submitted following the process as described on the Biddingo website.

Proposals will be received up to: **2:00:00 p.m., Local Time, June 24th, 2021**. Receipt of submissions must be confirmed with the Township by the proponent before the submission deadline. The Township is not responsible for submissions which are not properly marked and/or delivered to any other location than that specified.

2.3 Facsimile Submissions

Submissions submitted by facsimile will be deemed non-compliant and as such, shall not be considered for award.

2.4 Late Submissions

Proposals received after **2:00:00 p.m., Local Time, June 24th, 2021** will be deemed non-compliant and will not be considered for award. Late submissions will be returned unopened and unread to the proponent.

2.5 Opening of Submissions

A public opening will be held at **2:15:00 p.m., Local Time, June 24th, 2021** at the Council Chambers, 6648 Road 506, Plevna. All submission(s) will be open with a minimum of two staff members present. Only the names of the proponents who submitted a proposal will be announced. Public will not be able to attend the opening in person if the Municipal Office is closed due to a Global Pandemic.

2.6 Questions/Clarifications

Enquiries regarding the process or format of the response must be directed in writing to the Township, attention of Kelly Watkins, Treasurer. No enquiries are to be directed to

any other employee or elected Officials. Directing enquiries to other than the Treasurer may, in the Township's sole discretion, result in your submission being deemed non-compliant and therefore not eligible for award.

All clarification requests are to be sent in writing to the Treasurer via e-mail at treasurer@northfrontenac.ca indicating "**RFP #2021-12**" in the subject line. No clarification requests will be accepted by phone. Responses to clarification requests will be provided to all proponents in writing in the form of an addendum and in a timely manner.

2.7 Addendum

Any changes to the RFP, prior to the proposal closing will be issued as an addendum by the Township. If addenda are issued, their receipt must be acknowledged by the proponent in the appropriate section of the Proponent Declaration Form (see Schedule 1). The Township will assume no responsibility for oral instruction or suggestions. Failure to acknowledge all addenda will result in your proposal being deemed non-compliant and therefore not eligible for award.

No addendum will be issued within 72 hours prior to the proposal deadline. All addenda become part of the RFP documents and must be acknowledged and/or submitted as instructed with your proposal.

It is the proponent's sole responsibility to check for any addenda prior to submitting their proposal. Any proposal received without addenda acknowledged and/or submitted as instructed will be deemed non-compliant and therefore not eligible for award.

2.8 Examination of Request for Proposal Documents

Each proponent must satisfy himself/herself by a personal study of the RFP documents and by calculations, of the conditions existing or likely to exist in connection with the proposed work. There will be no consideration of any claim, after submission of proposals, that there is a misunderstanding with respect to the conditions imposed by this RFP.

Prices, where requested, are to be in Canadian funds with all applicable taxes shown separately. Prices must show separately any disbursements and the proponent must be satisfied as to the full requirements of the RFP. No claims for extra work will be entertained and any additional works must be authorized in writing prior to commencement. Should the proponent require more information or clarification on any point, it must be obtained prior to the submission of the RFP.

2.9 Acceptance or Rejection Rights Reserved by the Township

- i. The proposal submission is to remain firm for acceptance until the signing of Contribution Agreement.
- ii. The Township reserves the right to accept or reject any or all proposals, for any reason whatsoever, including if considered best for the interest of the Township. The Township also reserves the right to reissue the RFP in its original or revised form. The lowest cost proposal will not necessarily be accepted and the Township reserves the right to determine in its own mind the proponent best qualified to undertake this project. The Township further reserves the right to cancel this RFP at any time, without any penalty or cost to the Township.
- iii. The Township is not liable for any costs incurred by interested parties in the preparation of their response to this request or selection of interviews. Furthermore, the Township shall not be responsible for any liabilities, costs, express loss or damage incurred, sustained or suffered by any interested party, prior or subsequent to, or by reason of the acceptance, or non-acceptance by the Township of any response, or by reason of any delay in the acceptance of the response.
- iv. The Township reserves the right to request interested parties to:
 - (a) Address specific requirements not adequately covered in their initial submission
 - (b) Clarify information in their response
- v. In the event of any disagreement between the Township and the proponent regarding the interpretation of the provisions of the RFP, the Chief Administrative Officer of the Township (CAO) or an individual acting in that capacity, shall make the final determination as to interpretation.
- vi. Where the proposal documents do not state a definite delivery/work schedule and a submitted proposal is based on an unreasonable delivery/work schedule, the proposal may be rejected.
- vii. The Township reserves the right to modify any and all requirements stated in the RFP at any time prior to the possible awarding of the contract.
- viii. All proposal submissions received by the Township are subject to meeting the requirements as set out in the Township's Procurement By-law as amended. The Procurement By-law is available upon request or can be found at:
<https://www.northfrontenac.com/en/township-services/commonly-requested-by-laws.aspx>

3 SCOPE OF WORK

The primary objective of this section is to elaborate on the RFP requirements and to explain how these requirements will mesh with municipal housing objectives and the RFP process.

3.1 General requirements

Under this RFP, funding is being provided to support the addition of new affordable rental housing units for seniors. Experienced private sector and not-for-profit housing providers are eligible to submit proposals.

The following categories of projects are not eligible for funding under this RFP:

- Secondary suites
- Retirement and Long Term Care facilities (incl. nursing homes)
- Prescribed social housing units under the Housing Services Act that receive on-going federal and/or provincial subsidies¹
- Shelter or crisis care units
- Owner-occupied housing
- Student residences

3.1.1 Affordable Rent Requirements

Under this RFP, funding is provided to support the addition of five rental units in exchange for maintaining unit rents at affordable rates. For funded units, the maximum rent by unit type cannot be greater than the local Average Market Rent (AMR) by unit type and for at least two of these units, the maximum rent by unit type cannot be greater than the Below Market Rent (BMR), which is 80% of the Average Market Rent². While Proponents may choose to build more than five rental units, funding is only being made available for those units whose rent structure meets these minimum requirements.

Rents are preferred to remain affordable during the life of the project, but in all cases rents for funded units shall remain at affordable levels for the period of affordability. The period of affordability refers to the amount of time a proponent is required to keep the funded units affordable and in compliance with the Contribution Agreement. Under the terms of this RFP, the minimum period of affordability is 20 years.

Proponents who provide longer periods of affordability or deeper levels of affordability (i.e. less than maximum AMR or BMR rents) will be given additional consideration in the evaluation process. During the period of affordability, it is a requirement that rents may only be increased in-situ tenants by the maximum annual rent increase guideline, as

¹ Where existing social housing providers are creating new units and secure required consents, they may be considered eligible for funding.

² Local Average Market Rents for North Frontenac are determined based on 80% of the average market rent by unit type as published annually by CMHC for the Kingston CA.

determined annually by the Province of Ontario. Additional details regarding affordability requirements are provided in Section 4.4 of this RFP.

3.1.2 Conditional Letter of Commitment

Where a successful proponent is selected through the RFP evaluation process, the Township will issue a Conditional Letter of Commitment. The successful proponent shall be required to then satisfy the conditions set out in the letter before the project can be considered for final approval by the Township.

3.1.3 Contribution Agreement

Having fulfilled all conditions stipulated in the Letter of Commitment, the successful proponent shall be required to execute a Contribution Agreement with the Township. The Agreement will outline the resources to be provided and the associated obligations governing the proposed project. Funding will flow only in accordance with the terms of this Agreement and only advanced upon achievement of prescribed project milestones after execution of the Agreement. Approval of the Contribution Agreement shall be subject to the Township adopting a project-specific Municipal Housing Facilities Bylaw.

3.1.4 Reporting

As a condition of this RFP, the successful proponent is required to provide reports at regular intervals throughout the development process, at initial occupancy and annually thereafter, for the duration of the period of affordability. The form, timing and content of such reports shall be in accordance with requirements prescribed by the Township in the Contribution Agreement.

3.1.5 Other Agreements

While not a specific obligation of this RFP, proponents may be required by other funders or contributors to enter into certain agreements governing terms and conditions for providing other funding, incentives or project equity. The successful proponent will be expected to negotiate and execute such agreements directly with such entities, provided that none of the terms and conditions impair the rights, obligations and provisions guaranteed by the proponent to the Township under this RFP. Furthermore, the total value of all such funding, whether from the Township or other funders, cannot exceed the total value of the funded units less the required proponent equity (see 3.2.5 for additional details on 'stacking' of funding).

3.2 Resources Available for Affordable Housing

To facilitate the development of affordable housing units in accordance with the obligations established under this RFP, a range of resources – financial and otherwise – are being made available to proponents. It is expected that proponents specify in their proposal what combination and level of resources they will require. Preference will be given in the evaluation process to those proponents able to best leverage offered resources while meeting RFP obligations.

The primary resources being made available through this RFP for funded units are as follows:

- Land – two potential properties:
 - Cloyne – current assessed value \$69,000
 - Plevna – current assessed value \$139,000
- Township and County capital funding – up to \$437,500
- Initial property tax relief – estimated to be equal to \$1,200/unit per year for five funded units³ based on a three year stepdown schedule
- Fee waivers – exemption from building permit fees, septic permit fees and land use planning fees where applicable, estimated at a value of up to \$13,500

Each of these resources are outlined in more detail in the following section. The Township wishes to maximize the benefits of the resources being offered and as such, will give additional consideration in the evaluation process to those proponents who are able to increase the number of affordable units being provided or are able to provide affordable units using fewer offered resources. Recognizing the limits of available funding, the Township reserves the right to negotiate with the successful proponent in order to best meet the priority housing needs of local seniors with the resources being offered.

3.2.1 Municipal Land

To support affordable housing for seniors, the Township is making available municipal property. Two vacant sites have been identified for possible development, one in Cloyne (preferred) and one in Plevna. Details regarding each of the sites can be found in Appendix A. It is the intent of the Township to make available one of these properties (in whole or in part) to the successful proponent in order to facilitate development of affordable seniors housing. These properties are at an early stage of readiness and the Township may assist in securing general development approvals prior to transferring ownership. Under the terms of the Contribution Agreement, municipal land approved for use by the successful proponent would be transferred prior to commencement of construction.

Proponents may also elect to use alternate properties or project sites within the Township for their proposed development. In such cases, they will be required to specify ownership details, environmental conditions and development readiness under the terms of this RFP as elsewhere specified. Proponents will be expected to identify their intentions regarding the use of municipal properties or alternates in their completed Schedule 10.

³ Property tax is for Municipal, County and School Board taxes and is calculated at the MPAC assessed value multiplied by the residential mill rate. Current relief figures are based on estimates, recognizing that actual relief will depend on the assessed value assigned for the project once built.

3.2.2 Capital funding

To help support unit affordability, the Township and County are providing capital funding for funded unit in the project as follows:

- Township capital funding – up to \$100,000
- County capital funding – up to \$337,500

While funding utilized by each proponent may vary according to their proposal, the eligible funding requested must fall within the following parameters:

- Capital funding can only be used for the provision of funded units
- Total funding received from all sources, including these resources offered by the Township, cannot exceed the total capital cost of the project less any equity required under the terms of this RFP
- Total capital cost is assumed to be net of any eligible HST rebates

Funding and resources made available by the Township are provided as a forgivable capital loan that is made available primarily during the development and construction phase of the project. Funding amounts, obligations and disbursement conditions shall be defined in the Contribution Agreement that is executed with the successful proponent.

Eligible capital funding for approved projects will be disbursed in accordance with achievement of the following milestones:

- fifty percent (50%) will be advanced when the Contribution Agreement between the Township and the proponent is signed
- forty percent (40%) will be advanced upon satisfactory completion of structural framing
- ten percent (10%) will be advanced once a satisfactory Occupancy Certificate/approval for occupancy has been issued by the Township

Achievement of these milestones shall be subject to verification by the Township prior to disbursement of funds/resources. In all instances, funding will only be disbursed in accordance with the Contribution Agreement to be executed between the successful proponent and the Township.

3.2.3 Fee Waivers

In order to minimize project costs and help maintain affordability of project units, the Township has elected to provide additional assistance in the form of relief from:

- building permit fees - estimated at \$10,000
- septic permit fees for systems under 10,000L per day – estimated at \$1,000
- land use planning fees (as applicable) – estimated at up to \$2,500

Such assistance will only be eligible for the share of fees/charges that are attributable to funded units on a pro rata basis. Relief from such fees/charges will be provided at the

point which they would normally be due during the development approvals process. Where proponents are requesting such assistance in their proposal, they are required to identify this in their completed Schedule 11.

3.2.4 Initial property tax relief

To support affordability and help the project get established, initial property tax relief will also be offered by the Township. This includes relief from municipal, county and school board taxes that are levied annually based on published tax rates. Initial tax relief will be offered on a three year stepdown basis per the following schedule:

- First year of operation - 100% property tax relief
- Second year of operation – 50% property tax relief
- Third year of operation – 25% property tax relief
- Fourth year and beyond – no property tax relief

Based on current estimates, annual property taxes would normally be in the order of \$1,200/unit per year⁴. Property tax relief offered is only for funded units and where non-funded units or non-residential space is provided in the project, property tax for funded units will be provided based on the pro rata values.

3.2.5 Funding eligibility and Stacking of funding

To help ensure greater affordability for residents, a proponent may wish to augment the use of Township resources being offered with assistance available under other housing-related initiatives. Examples of such other sources can be found in Appendix E. This notion of ‘stacking’ may be permissible in combination with funding/resources offered by the Township but in no case shall total assistance received for the project from all sources exceed the total capital cost of the project less any equity required under the terms of this RFP. When calculating total capital cost, it is assumed that this cost is net of any eligible HST rebates.

Where total assistance received from all funding sources would exceed the total capital cost of the project less any equity required, funding/resources offered by the Township would be reduced accordingly so as not to exceed the total assistance maximum. In this situation, Township funding would be provided incrementally on a ‘last in/first out’ basis in the following order of offer, up to the maximum assistance level:

- Land
- Fee waivers
- Tax relief
- Capital funding

⁴ Property tax is calculated at the MPAC assessed value multiplied by the residential mill rate. Current relief figures are based on estimates, recognizing that actual tax amounts will depend on the assessed value assigned to the project once built.

3.2.6 Mortgage Financing

Any required construction and mortgage financing from private lenders and financial institutions shall be arranged by the proponent. Where such financing is required for the project, proponents shall provide confirmation of their ability to access such financing in accordance with Schedule 6. While proponents are generally required to bring some equity to the project, those who bring additional equity will be helping to support on-going project viability by reducing debt service costs. Accordingly, where proponents provide project equity that exceeds minimum requirements, they shall receive additional consideration in the evaluation process.

Where higher ratio loans may be required by proponents, especially those in the not-for-profit sector, resources are available to assist with securing necessary financing. These can include construction and mortgage lending as well as mortgage insurance.

Additional information can be found on these financing resources in Appendix E. The requirements and associated timelines for securing approvals under such initiatives can be lengthy and for that reason, interested proponents should familiarize themselves with these resources as early as possible.

Proponents should also be aware that security registrations are required in order to preserve the Township's obligations with regards to use of resources being offered under this RFP. These registrations will take the form of priority registrations on title during the project's period of affordability. The Township may also oblige as part of its security interest that they be provided with a right of first refusal to acquire the project if the proponent breeches funding terms. These registrations may influence the terms and conditions with your lender and should be considered accordingly.

3.3 Eligible Projects and Equity Requirements

Requirements have been established by the Township that help to ensure that viable proponents will provide sufficient equity to participate in this process. The Township also wishes to ensure that those projects which offer best value for available funding are given additional consideration in the evaluation process. This section highlights the associated requirements.

3.3.1 Eligible Projects and Costs

Experienced private sector and not-for-profit housing providers are eligible to submit proposals under this RFP. However, proposals that include non-eligible project categories will not be considered under this RFP (see Section 3.1). In the case of existing social housing, this means that combining resources being offered under this RFP with existing units governed under the HSA or receiving on-going federal assistance (i.e. coops, non-profits, public housing, S.95 non-profits or urban native housing) is **not** permitted. New units added to existing social housing projects/sites (i.e. through redevelopment or intensification) **may** be eligible, provided necessary HSA consents are secured. Given the resources being made available to achieve affordable

rents, rent supplement funding shall be permitted provided there is a commensurate reduction in Township resources being requested

Eligible project development methods must be one of the following:

- New construction, including additions, that increase the supply of affordable housing units;
- Acquisition of existing residential buildings (and rehabilitation of units, where required) that maintain/increase the affordable rental housing stock; or,
- Conversion of non-residential building/units to purpose-built rental buildings/units.

Township resources are being offered to defray actual project costs for funded units only. Eligible project costs include:

- Capital costs associated with development and construction of new units, including land costs, development costs and construction costs.
- Capital costs associated with acquisition and rehabilitation of an existing residential building, including acquisition and refurbishment costs.
- Capital costs associated with conversion of non-residential building/units, including acquisition, development and construction costs.

Verification of project costs will be required for any selected project and the successful proponent will be required to submit a capital cost audit of the project within 6 months following initial occupancy.

3.3.2 Proponent land and equity

To encourage the timely provision of new units, to enhance affordability and to leverage available funding, proponents are required to provide some form of equity as part of their proposed project. Recognized equity is considered to include contributions of land, cash, contributions in-kind or donations.

Given the differing capacities of organizations to bring forward equity for project use, the equity requirements also vary by organization type. Proponents must provide equity in accordance with the following requirements:

- Private sector proponents – minimum equity equivalent to 10% or more of the total capital costs
- Private/Not-for-profit partnership – minimum equity equivalent to 4% or more of the total capital costs
- Not-for-profit proponents – no minimum equity requirement but an equity contribution is strongly encouraged

The equity requirements stipulated in this RFP are minimum obligations and proponents are encouraged to provide additional equity where financially viable. This may enhance affordability by reducing financing requirements and associated debt service costs. Those proponents who exceed minimum equity requirements will be given additional

consideration in the evaluation process. In all instances, proponents who provide land as an equity contribution must provide sufficient justification of value for the property, free and clear of any charges, mortgages or encumbrances.

Non-profit proponents that intend to use land or equity from their current portfolio as a project contribution must ensure that the necessary HSA consents can be secured and are in place to meet project milestones and associated funding horizons.

All proponents will be expected to demonstrate that they own or have a binding option to own lands or buildings to be used for the project being proposed (see Section 4.5.1). In addition to these requirements, proponents will be required to confirm the environmental status of the property by declaring any known/confirmed environmental issues associated with the property and providing a Phase 1 Environmental Site Assessment report completed by a duly qualified professional confirming the property/site status.

3.3.3 Proponent in good standing

In order for proposals to be eligible for consideration, proponents are expected to be in good standing with the Township and County of Frontenac. In that regard, proponents that are deemed to be in breach of any existing requirements or agreements with the Township or County will not be eligible for consideration under this RFP. Furthermore, proponents not in tax compliance with the Township shall not be eligible for consideration under this RFP. It is further stipulated under the terms of this RFP that the Township requires proponents to comply with all municipal, provincial and federal statutes, as applicable.

3.4 Agreement Obligations

The successful proponent will receive initial confirmation of selection through a Conditional Letter of Commitment issued by the Township. This letter will outline specific conditions which must be met for entering into a formal Contribution Agreement and before receiving any funding or incentives being offered.

3.4.1 Conditional Letter of Commitment

The successful proponent will be expected to provide any necessary documentation to the Township to verify any elements of their proposal that may be required. Following the review and satisfactory acceptance of such materials, and upon approval by Council, the selected project will be issued a Conditional Letter of Commitment by the Township. This letter will outline the specific conditions which must be met prior to executing a Contribution Agreement and receiving funding/resources. Provided these conditions are met, the Township will enact a project-specific Municipal Housing Facility By-law and enter into a formal Contribution Agreement with the approved proponent.

3.4.2 General Municipal Obligations

To participate in this initiative offered through the Township, proponents are expected to meet basic municipal obligations throughout project development and construction.

These requirements include:

- Maintaining adequate and appropriate insurance coverage in a suitable format;
- Being in good standing with the Workplace Safety & Insurance Board (WSIB);
- Complying with obligations of the Occupational Health and Safety Act;
- Accepting use of submitted documentation by the Township in accordance with MFIPPA requirements;
- Complying with Conflict of Interest obligations;
- Being municipally tax compliant (i.e. no arrears); and,
- Indemnifying the Township from any and all matters arising from the proponent's participation in the program.

These and other municipal requirements are identified and detailed in Section 6.0 General Terms and Conditions. Failure to meet these obligations and any other obligations of the RFP may disqualify proponents from participation. As such, proponents should ensure they fully understand and adhere to these requirements.

3.4.3 Contribution Agreement Requirements

The successful proponent shall be required to execute a Contribution Agreement with the Township of which will form a binding contract. Among other things, this Agreement ensures that rents remain affordable for the full period of affordability. The Agreement also provides for remedies upon breach which the approved proponent will need to have regard for. The Agreement and related documents shall be secured by registration on title as a demand mortgage. Proponents should note that if a breach of the Contribution Agreement occurs, the Township is entitled to exercise its right to call on the demand mortgage and have it repaid.

Following issuance of a Conditional Letter of Commitment and resolution of those conditions by the proponent, the Township will provide a draft Contribution Agreement to the proponent. The Agreement will incorporate provisions as required by the Township's Municipal Housing Facility By-law and will:

- Define the project being developed and its specific components/features
- Set out tenant eligibility and affordability provisions as well as the period of affordability
- Identify the municipal obligations and contractual terms governing the agreement including reporting and communications protocols
- Outline the resources to be provided by the Township
- Define required security provisions associated with the agreement
- Identify default and remedy provisions
- Other provisions as may be required by the Township's Municipal Housing Facility By-law

Funding and resources will flow to the proponent only in accordance with the terms of this Agreement and only advanced upon achievement of prescribed project milestones once the Contribution Agreement has been duly executed and securities registered. Project construction must commence within 120 days of signing the Contribution Agreement. Approval of the Contribution Agreement shall be subject to the Township adopting a project-specific Municipal Housing Facilities Bylaw

3.4.4 Other Agreements

The successful proponent may also be required by other funders to enter into specific agreements where other assistance or incentives are being provided by these entities. The form and obligations of these agreements is subject to the requirements of the funder but shall in no way impair or supersede the obligations of the Township's Contribution Agreement with the proponent. Confirmation shall be provided by the successful proponent of any additional assistance being provided, any ancillary agreements associated with this assistance, the nature of such agreements and assurances that such agreements will not impair Township obligations.

4 SUBMISSION REQUIREMENTS

The following section outlines project submission requirements of the Township that are both mandatory and discretionary. Proposals must meet all mandatory requirements and are encouraged to address all preferred requirements, as defined within the RFP document.

General requirements

Each proponent must completely satisfy themselves as to the exact nature and existing conditions of the RFP requirements and for the extent and quality of the work to be performed. Failure to do so will not relieve the successful proponent of their obligation to carry out the stipulated provisions. Proponents are also specifically advised to review the General Terms and Condition found in Section 6.0 of this document as they are binding obligations of this RFP.

If a proposal is a joint submission of two (2) or more firms/organizations, a single proposal is to be coordinated and submitted by the lead firm with the required information. The lead firm shall act as the proponent in all contractual obligations of any resulting award and agreement.

This RFP document, the proponent's response to this solicitation and subsequent written Condition Letter of Commitment to the successful proponent shall form the basis of the binding contract to be executed between the parties. For the purposes of this RFP, the contract will take the form of a Contribution Agreement.

The selected proponent agrees not to release or in any way cause to release any confidential information of the Township unless authorized in writing by the Township's CAO. Proponents may declare confidentiality in their proposals. However, the Township reserves the right to confidentially share with any consultant of their choosing the RFP documentation and submitted proposals to secure expert opinion.

Format of reply

There are a number of project requirements stipulated in the RFP and to help clarify submission obligations for proponents, these requirements are outlined in the following section. Failure to provide mandatory schedules or documentation may disqualify the submission from consideration.

In responding to this RFP, proponents are encouraged to convey information in a clear and concise manner. Submissions by proponents shall include all requested documentation and Schedules identified in this RFP in the prescribed format. In particular, proponents shall submit required Schedules in the format provided. For other mandatory or preferred elements, proponents shall provide information in a narrative format, clearly identifying the section of the RFP to which the material applies.

Likewise, proponents providing any other supplementary material shall do so in a similar format, clearly identifying the section of the RFP to which the material applies.

Proponents are advised that any other supporting documentation provided by the proponent which is related to the project submission shall be considered at the sole discretion of the Evaluation Committee.

To facilitate proposal evaluation, proponents should structure their response to this RFP in the same order as the 'Submission Requirements' section of the RFP (Section 4.0), providing the information which is being requested in a succinct and direct manner.

Resource information

To assist proponents in responding to this RFP, resource information is provided in a series of appendices to this RFP document. For the benefit of proponents, a proposal submission checklist is also provided in Schedule 12, a copy of which shall also be required to be submitted. References to these attachments are identified throughout the following section to assist in clarifying submission requirements.

4.1 General Project Information

Proponents should provide a completed Schedule 1 (Proponent Declaration Form) and Schedule 2 (Project Information Form) with their submission, acknowledging terms of submission and outlining the general elements of their proposed project. Schedules should be completed in the provided format.

4.2 Project Sponsor

Profile of Sponsor and Financial Stability

Proponents must demonstrate that they are a bona fide registered company/organization and that they are financially stable.

The following information should be submitted by the legal entity who is applying for funding and intends to own and operate the project (i.e., the project sponsor). The company/organization designated as the project sponsor should provide the following detailed information:

- The legal name of the company/organization, the incorporation number and the date of incorporation as well as a list of all current directors, their positions and their contact information (complete and submit Schedule 3 – Organizational Profile)
- Copy of an up-to-date Certificate of Status and Corporate Profile issued under the Act pursuant to which the Corporation has been incorporated (provincial or federal);
- A copy of the company/organization's current Articles of Incorporation and Corporate By-laws;

- Information on the qualifications and experience of the directors/principals of the Corporation;
- An overview of the company/organization's housing portfolio (owned or managed) as well as the main activities and areas of service the company/Corporation provides;
- A copy of the most recent audited financial statements for the company/Corporation; and,
- Where a private/not-for-profit partnership is proposed, information on both partner organizations should be submitted.

The proponent may choose to provide additional information for consideration in the evaluation process which further demonstrates financial stability. Proponents will be evaluated based on the quality of the evidence provided. As part of its evaluation process, the Township may choose to carry out reference verifications.

4.2.1 Proponent Experience

Proponents must demonstrate experience/competency with development or construction and management of multi-residential rental projects. Given the target seniors client group, experience in developing and/or managing affordable or non-profit housing (i.e. housing serving households of low and moderate income) is also considered an asset.

To demonstrate that proponents have a proven track record in delivering housing, the following information should be included in the submission:

- A list of the housing projects which the company/organization has developed within the last 10 years, including a brief profile of each which includes a description of the number of units, overall size and capital costing involved;
- A description of the approach used by the proponent to manage the development and construction of the projects; and,
- A description of the management structure the company/organization currently employs to effectively operate/manage its housing portfolio (whether owned or managed).

4.2.2 Supporting Partnerships

Through the development of new affordable housing units, there are opportunities to better address local support needs that are related to housing. Under this RFP, units are geared to seniors who are able to live independently. However, there may be community supports or services which may be beneficial to residents. It may therefore be advantageous for proponents to establish/maintain working relationships with support service partners in the community to better meet tenant needs. While not mandatory, proponents are encouraged to demonstrate community impact through such partnerships and where they do, they will receive additional consideration in the evaluation process.

To receive such consideration, proponents are required to demonstrate experience working with other organizations as well as identifying the partnership opportunities they intend to include in their proposed project by including in their submission:

- A description of the key community partners involved in past project development, the role they played and key contact information;
- A description of the partner(s) being proposed for the current project, how these partnerships will enhance affordable housing, and the expected operating relationship between the organizations; and,
- Written confirmation from each partner organization of the role, services and supports they will provide for the proposed project.

As part of its evaluation process, the Township may choose to contact identified partner organizations to verify information submitted by proponents.

4.2.3 References

Proponents must provide three (3) references attesting to their previous residential development and rental management experience. These references must include the name of the organization, contact person, contact information and permission to contact the individual named (see Schedule 7 - Reference Form). Proponents cannot include identified partners for the proposed project among these specified references.

In evaluating submissions, the Township may, at its sole discretion, contact other references not listed in the submission. The information obtained in these additional reference checks will be included in the evaluation of the project submission.

4.3 Development Team

An experienced development team is critical to a proponent's success in developing and managing a viable project. As such, proponents shall be required to identify in their submission the proposed project team and the team's experience in similar projects. More specifically, proponents shall provide in their submission:

- A description of the proposed development team (architect, development consultant, project manager, solicitor, etc.), and past working relationships with the proponent;
- A brief profile of each individual team member assigned to the project, highlighting their qualifications, directly relevant project experience and their role in the project (attach resumes for staff and hired professionals);
- A brief company profile for each participating firm, outlining experience in working on projects of similar scale, scope and complexity; and,
- Contact names and coordinates (phone/fax) for projects listed as similar in scale, scope and complexity. As part of its evaluation process, the Township may choose to carry out reference verifications.

The Township requires that the proponent notify them of any changes to the persons named above who are assigned to this project. The Township must approve these changes, and such approval may be reasonably withheld.

Note: *Proponents will be evaluated based on the evidence provided. Proponents will also be expected to comply with Conflict of Interest obligations regarding individuals and firms assigned to the project. Proponents should be aware that information submitted under this RFP is subject to privacy and public disclosure provisions of the Municipal Freedom of Information and Personal Privacy Act.*

4.4 Client Groups to be served

4.4.1 Eligible Households

Under the terms of the RFP, funded units must be allocated only to seniors (i.e. those 65 or older) who are able to live independently, with or without support services. As such, all vacancies for funded units during the period of affordability shall be filled with eligible seniors households. In order to be eligible, all households to be housed in funded units must meet Initial Income Limits at the point of occupancy.

Where non-funded units are intended to be included in the proposed project (i.e. mixed project of both funded and non-funded units), proponents may fill vacancies for non-funded units by drawing on their own internal market waiting list. Proponents who target non-funded units to seniors will be given additional consideration in the evaluation process. If proponents choose to serve non-senior client groups via non-funded units in the project, they must provide sufficient justification of need.

Under this RFP, it is a requirement that proponents:

- Identify how project vacancies for funded units will be filled by eligible households from target client groups on an on-going basis; and,
- For mixed projects, identify how project vacancies for non-funded units will be filled on an on-going basis (if applicable)
- Ensure that Conflict of Interest provisions are met with regards to tenant selection

4.4.2 Household Income Limits

To ensure affordable housing that is developed/renovated is targeted to those in need in the community, the Township has established maximum income levels for households to be housed in funded units. These Initial Income Limits (IILs) are established by the Township and defined in the Municipal Housing Facility By-law as a maximum of 4 times the monthly rent payable and shall apply for the purposes of this RFP. In order to be eligible for tenancy in funded units within the project, only households with a verified gross annual income less than IILs at time of initial occupancy shall be deemed eligible.

Based on current maximum allowable rents for 2021, the current IILs for funded units are as follows:

2021 Initial Income Limits by Unit Type

Unit Type	1 bedroom AMR	2 bedroom AMR	1 bedroom BMR	2 bedroom BMR
Initial Income Limit	\$43,968	\$51,187	\$35,174	\$40,950

Verification of income by the successful proponent shall occur prior to tenant occupancy to ensure household eligibility for all funded units and this shall be certified by the proponent in required annual reporting to the Township during the term of the Contribution Agreement. This verification is required only at point of occupancy for vacancies in funded units and only during the period of affordability. Proponents who extend affordability beyond this period and therefore maintain income limits shall be deemed in the evaluation process to be providing enhanced service.

4.4.3 Maximum Rents and Period of Affordability

Proponents are required to identify in their proposal the project rents they intend to charge by unit size/type and how these meet Township obligations (per Schedule 2). Rents for funded units must be no more than the local Average Market Rent (AMR)⁵ and rents for units required at Below Market Rent levels (BMR) shall be no more than 80% of the local AMR rents by unit type. The obligation to maintain rents at affordable levels shall be for the duration of the period of affordability which shall be no less than 20 years. Under the terms of this RFP, at least two of the funded units must be maintained at BMR rent levels.

For 2021, applicable rent levels for the North Frontenac area, as defined in the Municipal Housing Facility By-law, are as follows:

2021 Permitted Maximum Monthly Rents by Unit Type

Unit Type	1 bedroom AMR	2 bedroom AMR	1 bedroom BMR	2 bedroom BMR
Maximum permitted rents	\$916	\$1,066	\$733	\$853

**Source: CMHC Housing Portal, based on CMHC 2020 Rental Market Report data for Kingston CA.*

Rents charged for funded units cannot exceed the above-noted thresholds. However, rents may include utilities or not, depending on the management approach proposed by the proponent for the units. As rents that include utilities can be inherently more affordable to low and moderate incomes households, proponents who charge rents inclusive of utilities will be given additional consideration in the project evaluation process. Rents may NOT include parking, cable, telephone or other ancillary charges.

⁵ Under the Township's Municipal Housing Facility By-law, local Average Market Rents are determined based on 80% of the average market rent by unit type for the Kingston CA, as reported CMHC.

Project rents for funded units are permitted to increase annually in accordance with the Contribution Agreement but shall be limited to amounts in accordance with the following guidelines:

Maximum Permitted Rents and Rent Increases – Funded units

Tenant Status	Maximum rents or increases
Initial rent-up and new tenancies during the period of affordability	• <i>Local Average Market Rent</i>: maximum rent = annual rent per the Township's Municipal Housing Facility By-law in effect at that time • <i>Below Market Rent</i>: maximum rent = 80% of local AMR by unit type in effect at that time
Rental increases for sitting tenants during the period of affordability	Maximum annual increase = RTA guideline in effect at that time

Note: Residential Tenancies Act (RTA) rent guidelines are established annually by the Province.

Proponents may choose to increase tenant affordability by employing rents that are lower than required maximums. Where proponents provide more affordable rents or provide rents for periods longer than the required period of affordability, they will receive additional consideration in the evaluation process.

Where proponents are providing a mixed unit project (i.e. non-funded and funded units), rents for non-funded units shall be in accordance with provisions of the *Residential Tenancies Act (RTA)*. As part of the reporting requirements under this RFP, proponents will be required to annually confirm rental charges for funded units for the full period of affordability.

4.4.4 Tenant Selection and Occupancy Plan

Proponents must submit a tenant selection plan describing their process for meeting tenancing requirements under the terms of this RFP. The plan must convey the proponent's approach to:

- Ensuring Conflict of Interest provisions are observed;
- Verifying incoming household eligibility for new tenancies;
- Maintaining occupancy for funded units over time; and,
- Maintaining occupancy for market units over time if market units are included as part of the proposed project.

In addition, proponents should identify in their occupancy plan existing policies and proposed strategies they will use for maintaining, supporting and enhancing tenancies which maximize occupancy and contribute to the overall success and health of the project.

4.4.5 Additional tenant supports

While not a requirement of this RFP, it is recognizing that seniors benefit from having social and other supports. Proponents are encouraged to identify existing initiatives or

planned strategies for providing or linking to additional supports in the community that serve to improve the quality of life for seniors. Proponents should illustrate how these initiatives/strategies or service partnerships will leverage supports and services in the community while enhancing the social value of the housing project. Proponents who provide such linkages or strategies will receive additional consideration in the evaluation process.

4.5 Development Concept

Given the continuing need for affordable seniors housing in the North Frontenac area, there is community interest in bringing successful projects to completion in a timely manner. For that reason, proposals submitted under this RFP should be able to move forward with development in an expedient manner. Proponents are therefore expected to demonstrate a clear project concept that meets or exceeds design criteria, is financially sustainable and has a high state of readiness to move forward.

When preparing projects for development, tasks such as land use approvals, technical testing and environmental confirmation can require significant processing time by approval agencies. Proponents should be mindful of these requirements when developing their project concepts and associated delivery timelines.

4.5.1 Site/Building Confirmation

The Township has made available two potential properties for affordable seniors housing development as part of this RFP process. Proponents who elect to use one of these sites are required to describe how they will utilize and develop the site as part of their proposed project. In particular, proponents are required to identify in their proposal the intended use and configuration of the project with regards to the project site. Both sites are sizable in area and include other current uses which the Township has a desire to maintain, where appropriate and compatible. Proponents will need to provide a use plan for the site showing preferred configuration and how/if current uses may be accommodated in concert with the proposed project. Specific details regarding the sites and expectations around proponent use of either site are further defined in Appendix A.

While these sites provide appropriate options for project location and constitute a sizable contribution by the Township, proponents may elect to use an alternate site or property for their project within the Township. The following section details requirements where proponents choose to pursue an alternate site/property option.

Location

Proponents should identify the location of their proposed project within the Township (per Schedule 2). Based on the seniors orientation of the RFP, it is preferred that the proposed project would be located in a populated area with proximity to amenities and services suitable to the client group. Where the proponent is seeking to develop a mixed project (i.e. funded and non-funded units), consideration must also be given to the amenity and service requirements of the client group in the other units proposed.

Projects which are suitably located in well-served areas will be given additional consideration in the evaluation process.

Site/Building Status

Proponents should confirm in their submission the municipal address and legal description of the proposed project land/building, the current use of the land/building and the adjacent uses to the property. In addition, proponents will be expected to confirm the status of the subject lands/buildings regarding technical suitability to build/renovate (i.e., geotechnical soils studies, structural integrity studies, related technical studies, etc.). Where any actual or perceived impediments to development exist on the project site, proponents should clearly articulate the impediments, how they could impact project development, and how the proponent intends to mitigate these development risks.

In addition to these requirements, applicants are required to submit Schedule 8, confirming the environmental status of the building/property by declaring any known/confirmed environmental issues associated with the building/property. A Phase 1 Environmental Site Assessment report completed by a duly qualified professional will also be required which confirms the property/site status.

Ownership

Proponents who elect to use an alternate site/building must own the property to be eligible for consideration. Proponents will also be considered where they have a duly executed option to purchase, provided the option remains valid for a minimum period of eighteen months from the date of the Conditional Letter of Commitment. Proponents who own their project site outright will be given additional consideration in the evaluation process.

Servicing

Proponents must also confirm ability to provide road, hydro, water and septic servicing to the proposed development. Confirmation shall be provided in the form of letters from requisite authorities or technical experts regarding each servicing detail and furnished to the Township by the proponent. Where technical studies/approvals regarding site servicing are outstanding, proponents shall identify these issues, the impact they could have on project development and how they plan to mitigate the issues.

Timely provision of affordable housing units is a key priority of this RFP and as such, proponents are encouraged to bring forward projects which are at an advanced stage of readiness in terms of site status, environmental condition, land use approvals and servicing. For that reason, projects which demonstrate an advanced stage of development readiness will be given additional consideration in the evaluation process.

4.5.2 Eligible Construction/Renovation

Type of Construction

Under this RFP, the Township is seeking projects which increase the supply of affordable rental housing stock in the North Frontenac area. Eligible types of development/construction must be one of the following:

- New construction, including additions, that increase the supply of affordable housing units;
- Acquisition of existing residential buildings (and rehabilitation of units, where required) that maintain/increase the affordable rental housing stock; or,
- Conversion of non-residential building/units to purpose-built rental buildings/units.

Any project selected for funding, regardless of construction type, is intended to be modest in nature while providing a high degree of quality, thereby maximizing affordability and on-going sustainability. Proponents are encouraged to utilize durable materials and finishes requiring modest maintenance in order to promote project longevity and to better control operating costs.

Building Form

Proponents should specify the building form they are proposing for the project (per Schedule 2). Affordable rental housing projects eligible for funding are restricted to multi-residential housing with self-contained units, including low-rise apartments or similar structures. Given the seniors target group and the desire to promote project visitability and unit accessibility, single storey apartment-style building forms are deemed highly desirable. Projects which promote grade-related building forms or have elevating devices that enable full access will be given additional consideration in the evaluation process.

Proposals that include non-eligible project categories will not be considered under this RFP (see Section 3.1). Where land or similar form of equity from an existing social housing project is proposed to be utilized in the submission (i.e. a project which is subject to the provisions of the *Housing Services Act*), a consent may be required from either the City of Kingston (as designated Service Manager) or the Minister of Municipal Affairs and Housing. Given the typical timing necessary to secure such approvals, proponents are expected to identify this requirement in their proposal and to demonstrate how and when they will secure the necessary consents in order to utilize this land/equity.

Unit Size

Proponents should specify the unit mix and unit sizes they are proposing for the project (per Schedule 2). Units are intended to be modest in nature to promote affordability and value for public investment but proponents do have the ability to provide more generous living spaces if they choose. There is a minimum requirement for the project to have 5 units with a preferred mix of 4 one bedroom units and 1 two bedroom unit. All funded

units in the proposed project shall be self-contained one or two bedroom units and the required unit mix shall be as follows:

- Total funded units with affordable rents – minimum of 5 units
- Number of two bedroom units – minimum of 1 unit
- Number of modified units – minimum of 1 unit (*from within the above mix*)

Modified units are intended to accommodate those who may have mobility impairments and specific requirements for those units are described in greater detail in section 4.5.6 of this RFP.

In addition to unit mix, all funded units shall meet or exceed minimum size requirements in accordance with the following chart:

Unit Type	Unit size range	
	1 bedroom	2 bedroom
Regular apartment (typical unit)	48.8 to 60.4 m ²	67.4 to 79.0 m ²
	525 to 650 ft ²	725 to 850 ft ²
Modified apartment (enhanced for mobility)	60.5 to 67.4 m ²	79.1 to 85.9 m ²
	651 to 725 ft ²	850 to 925 ft ²

Where proponents provide units that exceed unit size ranges, additional consideration will be given in the evaluation process, provided that affordable unit rents and competitive project costs are maintained.

Where proponents plan to incorporate non-funded units into their project, the proposed unit mix and size should be identified along with rationale supporting the approach to mix/size and how they will support viability of the project over the longer term.

4.5.3 Design Requirements and Current Status

Projects submitted for consideration are expected to be able to be at an advanced stage of planning and able to move forward promptly if approved for funding. Proponents must be able to secure a building permit within a reasonable time frame and be able commence construction or renovations within 120 days of signing a Contribution Agreement.

To illustrate proof of concept and demonstrate how the project responds to program requirements, proponents must submit the following unless otherwise specified:

- *Site plan sketch* - illustrating building(s) orientation, sewage system, well, road access, required parking and basic setbacks. Detailed design drawings are preferred but not required at this stage.
- *Typical building floor plate sketch* - illustrating basic unit configurations as well as organization/relationship to other project space (i.e. amenity space, etc.).
- *Typical unit layout sketch with floor sizes* – illustrating basic unit layout and arrangements for both regular and modified units

- *Sketch of typical elevations* – preferred but not mandatory

All units being proposed for development should be shown and in the case of mixed unit projects (i.e. funded and non-funded units), funded units should be clearly identified so as to distinguish them from other units in the design drawings.

Proponents are encouraged to provide design detail wherever possible to help illustrate the project concept and further demonstrate the level of concept development. In that regard, proponents are expected to convey the current status of the project in terms of design development, including a timeline for completing design work if not already completed. Proponents at an advanced stage of project design development will be given additional consideration in the evaluation process.

4.5.4 Building/unit requirements and preferred elements

The Township promotes sound construction practices and quality living environments for tenants. As such, this RFP encourages the use of quality, durable materials and construction techniques by proponents to minimize repairs over the duration of the affordability period.

In addition, the Township has stated preference for project amenities which enhance the quality of life for project residents. As a result, the project is expected to include the following basic features:

- Full size kitchen appliances in-unit (i.e. not apartment size)
- Washer/dryer facilities in-unit (preferred) or via a common area that is accessible on the same floor
- Amenity space for residents (i.e. a common room, sitting area, patio/play area, etc. other than space already provided in units)
- A minimum of 1 parking stall per unit (subject to any additional requirements that may exist in the local zoning bylaw)

Where proponents provide project features that exceed basic requirements, additional consideration will be given in the evaluation process, provided that affordable unit rents and competitive project costs are maintained.

Current legislation obliges the installation of suite meters in all new social and affordable housing units developed under certain programs. Under this RFP, proponents can elect to install suite meters and can also determine if they wish to bill tenants for electricity use based on bulk metering or not. Please note that where proponents elect to install suite meters, the Energy Consumer Protection Act, 2010 and Ontario Regulation 389/10 set out rule governing installation. Additional information regarding obligations around installation and use of suite metering can be found by contacting the Ontario Energy Board's (OEB) Consumer Relations Centre at 1-877-632-2727 or 416-314-2455, or going to the OEB web site at www.oeb.ca. It is recognized that where utility costs are

included in rents, affordability can be enhanced for tenants. With this in mind, where tenant rents charged by proponents include utilities, additional consideration will be given to the proponent in the evaluation process.

Proponents should confirm the building elements, project amenities and suite metering they plan to incorporate per Schedule 2 - Project Information Form.

4.5.5 Municipal building objectives/requirements

In addition to conforming with local land use regulations, the project developed under this RFP is expected to meet sound planning and development principles. In that regard, the project should:

- Promote more compact forms of growth where appropriate, including infill, adaptive reuse, residential intensification and efficient use of land.
- Encourage growth in established areas to maximize use of existing municipal infrastructure.
- Be located in walking proximity to established community services and amenities to better serve target clients – access to groceries, medical services, parks and schools are considered highly beneficial
- Have regard for fit with the adjacent built area in terms of scale and design.

Proponents will be expected to identify in their proposal how they are meeting these objectives through project development. In addition, proponents are encouraged to articulate the local community benefits that development of the project will bring.

4.5.6 Accessibility

With the passage of the *Accessibility for Ontarians With Disabilities Act (AODA)*, the Township remains committed to supporting the accessibility needs of residents in the North Frontenac area. To better address these needs, proponents are required to provide the following accessibility features in their project:

- Roll-in showers are required for all funded units
- Visitable accessibility is required for building and unit access (e.g. grade access, wider door widths, wheelchair radius in kitchen and bath, etc.)

At least one funded unit shall be modified to accommodate seniors with mobility impairments. Additional consideration will be given in the evaluation process to proponents who provide one unit that is fully modified for access by persons with disabilities and who require mobility devices. In order to qualify for this consideration, fully modified units shall be designed to recognized standards for accessibility (see Appendix C for additional information regarding modified and fully modified standards). Proponents who choose to include non-funded units and who provide such units that are modified or fully modified will also receive additional consideration in the evaluation process.

Given the seniors client group and the desire to support aging in place, it is also desirable to ensure that visitors who may have physical disabilities or require mobility devices can gain access to the building and/or entry to any units (i.e. units must have adequate corridors and entrance door widths). As such, grade-related access that does not oblige the need for elevating devices/lifts is a preferred feature for all projects as is visitable accessibility. Additional information on design elements that support visitable accessibility can be found in Appendix C.

In addition to any narrative description submitted with their proposal, proponents should confirm in Schedule 2 the accessibility and visitable features they plan on using for their project.

4.5.7 Energy efficiency

In order to promote operating cost control and minimize energy impacts, proponents are encouraged to incorporate energy efficiency measures in their proposed project. While basic building code requirements now oblige certain levels of efficiency, additional efficiency features that are provided shall be recognized through the evaluation process. Under the terms of this RFP, proponents are encouraged to provide the following energy efficiency features:

- EnergyStar rated appliances and low voltage lighting
- High efficiency heating, ventilation and air conditioning systems (HVAC)
- Quality thermal windows and doors, added insulation and advanced building envelope assemblies that exceed current building code requirements
- Water-saver features that promote energy and water conservation
- Use of alternative energy sources (geothermal, solar PV, wind, etc.)

Projects incorporating energy efficient features will be given preference in the evaluation process in accordance with the scale and scope of features used. In submissions, proponents are required to identify the specific features to be incorporated and provide an estimate of the energy cost savings associated with use of these features. Additional details on energy efficient features and associated benefits can be found in Appendix D.

In addition to any narrative description submitted with their proposal, proponents should confirm in Schedule 2 the energy efficiency features they plan on using for their project.

4.6 Project Readiness

4.6.1 Overall Development Schedule

Proponents are required to submit a detailed development schedule (per Schedule 4) which demonstrates that the proposed project will proceed promptly with pre-development activities upon receipt of a Conditional Letter of Commitment. All proponents must confirm that proposed projects are development ready and demonstrate their ability to commence construction/renovation promptly within 120 days following the execution of the Contribution Agreement with the Township.

The development schedule must confirm the date final design will be completed, when the construction contract will be awarded, the construction start date and construction completion date, as well as other key project milestones. Proponents should be aware that early project occupancy is considered preferred in the evaluation process and that it is anticipated that the proposed project will be constructed and occupied by spring of 2022.

As part of this schedule, proponents are required to identify their current status as of the point of proposal submission. Projects will be evaluated in part on the basis of achievable milestones within stated deadlines.

4.6.2 Land Use and Development Approvals

As noted in the previous section, the project must be ready to commence construction/renovation within 120 days of signing the Contribution Agreement with the Township. As a result, proponents must ensure that all municipal land use and development approvals are currently in place or can be obtained within a reasonable timeframe in order to meet the construction start deadline. These approvals may include Official Plan amendments, Zoning By-Law amendments, Severances, Site Plan Control Agreements or other development agreements. Projects that conform with land use regulations or have necessary approvals in place or pending, will be deemed to be at an advanced level of development and shall receive additional consideration for the purposes of project evaluation. As part of required municipal confirmations, proponents should identify in Schedule 10 the land use status of the project site/building.

If any municipal land use or development approval applications have been submitted but are not yet approved, the proponent shall provide a copy of the application(s), date(s) of public meetings and anticipated approvals timelines. Given the extended timelines and appeals processes that can be involved in securing land use approvals, proponents are expected to provide realistic and achievable timelines for securing any required land use approvals. Proponents should be aware that projects with necessary approvals in place will be evaluated more favourably than those that do not.

4.6.3 Neighbourhood Acceptance Strategy

Despite the rural nature of the township, gaining project acceptance for affordable housing projects can prove challenging and can negatively impact on critical timelines for commencing project construction. To better manage this risk, proponents are required to outline their strategy for gaining neighbourhood acceptance and integrating the proposed project into the local community where land use planning approvals are required. Proponents are encouraged to demonstrate previous experience and key strategies in building local support, as well as how these strategies will be applied in the current project while still meeting necessary project timelines.

4.7 Project Financial Viability

4.7.1 Proposed Financial Plan

Proponents are required to include a financial plan as part of their submission. Specifically, proponents must submit detailed preliminary capital and operating budgets per Schedule 5 – Financial Worksheets, accompanied by explanatory notes and detailed supporting documentation that demonstrates the feasibility, viability and cost effectiveness of the project. **These budgets should reflect that the resources received through this RFP are “after the fact” funding (i.e. full cost accounting) and the proponent needs to demonstrate the ability to develop the project while accommodating potential delays in funding.**

Proponents are also required to specifically identify the level of funding/resources they are requesting per Schedule 11. When determining the level of funding to request, proponents should be mindful that the Township is seeking to maximize the benefit of public funds being expended to generate affordable housing. As such, proposals which require lower levels of funding/resources in order to deliver/exceed required housing affordability under this RFP will be given additional consideration in the evaluation process.

Detailed financial worksheets provided in Schedule 5 will require the inclusion of all resources/funding being requested and proponent equity/land value (Schedule 10 and 11) as well as any other funding assistance being accessed for this project. It is the proponent’s responsibility to accurately complete and submit these schedules, and to demonstrate financial feasibility of the project. Failure to provide this documentation will disqualify proponents from the evaluation process.

4.7.2 Proponent contributions

This RFP is targeted to both private and not-for-profit corporations. Proponent are required to provide project equity in accordance with their proposal status (i.e. private, partnership or non-profit) as outlined in Section 3.3.2 of this RFP. Proponents should identify their required equity contribution within the financial worksheets to be submitted and per Schedule 11. While not-for-profit proponents are not required to provide equity to the project, they are strongly encouraged to contribute equity of some kind, whether land, donations, sweat equity, etc. in order to defray project costs and thereby promote lower project operating costs. All proponents are expected to confirm their equity contributions by completing and submitting a mandatory declaration (per Schedule 11). Proponents who provide land as an equity contribution must also provide sufficient justification of value for the property, free and clear of any charges, mortgages or encumbrances.

4.7.3 Financial Viability of Proposed Project

Proposals will be evaluated to determine their reasonableness in terms of project costs, revenues, equity contribution, requests for financial assistance and affordability outcomes (e.g. affordable rent levels/duration offered). Financial plans which reflect costs or revenues at considerable variance from industry norms and standards should be accompanied with credible explanations for these variances. Proponents are also encouraged to articulate contingencies for managing unforeseen circumstances including any current financial policies or approaches used to manage similar risks (i.e. reserve funds, etc.). In the case of operating budgets, proponents are expected to generate at modest surplus in order to demonstrate viability and should have a minimum Debt Coverage Ratio of 1.15 or higher (see Schedule 5).

4.7.4 Confirmation of Ability to Finance

Where proponents require construction or mortgage financing as part of their financial project plan, proponents are also required to submit with their proposal a letter from a recognized lender confirming ability to access financing for the proposed project on a preliminary basis. The form of this confirmation letter shall be consistent with the sample template provided in Schedule 6.

4.8 Project Sustainability

4.8.1 Property Management Plan

Project development and construction/renovation are critical initial steps in a project's lifecycle. However, the most critical stage is the actual operation and management of the project over its useful lifecycle. As this RFP is targeted to experienced housing providers, proponents are expected to have a demonstrated ability to operate projects of similar scope and scale. As such, proponents should describe the practices/plans they use to manage existing projects. Proponents may be required to furnish on demand, their existing portfolio management plan or related documents which set out the operational policies and practices they use for property management.

Unlike traditional assisted housing programs, no operating subsidies are provided for on-going project operations under this RFP. Instead, proponents are expected to manage projects within the financial parameters they establish in their operating budgets. Given these financial realities, proponents must demonstrate their ability to manage the project self-sufficiently once under operation. Proponents shall include in their submission existing or planned strategies for operational management of the project based on their proven experience.

4.8.2 Tenant transition plan

Given the limited nature of the funding being provided and the target group to be served, proponents are required to submit with their proposal a tenant transition plan.

The plan should provide a brief description of the proponent's intentions with regard to strategies for managing how existing tenancies will transition out of the required affordable rent structure at the end of the period of affordability. Proponents are encouraged to identify the practices and strategies that they would use to assist in providing a smooth transition for seniors tenants.

5 EVALUATION PROCESS AND CRITERIA

All proposals will be evaluated in accordance with the evaluation criteria identified in this RFP. An Evaluation Committee comprised of Township staff and their development consultant shall conduct this evaluation and subsequently make its recommendations for funding to Council.

Proposals will be assessed on the basis of information provided by the proponent at the time of submission as well as any additional information provided during subsequent meetings with the proponent, if required. The Township reserves the right to waive irregularities and omissions if, in doing so, the best interest of the Township will be served.

5.1 Selection Process

5.1.1 Mandatory Requirements

All proposals will be evaluated on a pass/fail basis for the mandatory requirements stipulated in the RFP. Proposals that do not meet the mandatory requirements will be disqualified. It will be the responsibility of the proponent to ensure the correct information is provided with respect to the submission.

All required schedules must be completed by the proponent to demonstrate compliance with the mandatory requirements. Schedule 12 (Proposal Submission Checklist) contains a list of all mandatory requirements as well as a reference to the relevant section of the RFP where the mandatory requirement is described.

5.1.2 Preferred Elements

Proposals which meet all mandatory requirements will also be evaluated on the basis of preferred elements. Proposals will be graded on these elements in accordance with an evaluation grid (see next section). Proponents are expected to provide sufficient information in their submission to substantiate scoring against this grid. Proponents are also encouraged to provide supplementary notes or explanations in their submission which illustrate achievement of preferred elements.

5.2 Evaluation Committee

Valid proposal submissions will be evaluated by an Evaluation Committee consisting of representatives from Township staff and their development consultant. The Township shall not be obliged to disclose the evaluation scores of any individual member of the Evaluation Committee, nor to justify any score awarded by that team or any member thereof. All evaluations carried out by the Evaluation Committee shall be considered to be fair and accurate for all purposes and shall not be subject to review by any court or other tribunal.

BY RESPONDING TO THIS RFP, PROPONENTS AGREE TO ACCEPT THE RECOMMENDATION OF THE EVALUATION COMMITTEE AS TO THE SUCCESSFUL PROPONENT AND ACKNOWLEDGE AND AGREE THAT TOWNSHIP COUNCIL MAKES THE FINAL DECISION.

5.3 Evaluation Criteria

Provided submissions by proponents meet all mandatory requirements, the following criteria will be used for evaluating eligible proposals:

Evaluation Criteria	Maximum Points
Project Sponsor • Sponsor profile + legal status • Demonstrated relevant experience • Demonstrated financial stability • Sponsor references	10
Development Team • Expertise/depth of team members and firms • Relevant individual/team experience • Project references	10
Clients to be Served • Level and duration of affordability • Supports + partnerships • Tenant selection plans • Additional features supporting quality of life	10
Project Concept • Sound overall concept + unit sizes • Suitable location + ownership status • Advanced site/building status • Appropriate construction type + building form	15
Project Design • Advanced building design + incl. required elements • Use of quality and durable finishes • Addressing municipal objectives • Incorporating accessibility + visitability • Incorporating energy efficiency	10
Project Readiness • Realistic schedule, within program parameters • Advanced land use approvals • Neighbourhood strategy (as required)	15
Financial Viability • Capital and operating budget viability • Proponent equity contribution • Leveraging of funding and equity • Ability to finance	25

Evaluation Criteria	Maximum Points
Project Sustainability • Operational management practices • Property management plan • Transition strategy	5
TOTAL	100

Proposals will be assessed against the above criteria. The Township reserves the right to shortlist proposals for further evaluation and interviews which may alter the final scoring results. Proposals will be scored based on meeting or exceeding the expectations of the established evaluation criteria.

The Evaluation Committee will review eligible submissions, scoring proposals on these criteria. Projects will then be ranked by total score received. Proponents are expected to achieve a minimum score of 70% in the evaluation process in order to be considered for funding. In the event of a tied score, the following categories will be used in the specified order to break the tie:

1. *Level of affordability*
2. *Project concept & design*
3. *Financial viability*
4. *Development readiness*
5. *Energy efficiency*

5.4 Short Listing and Interviews (if required)

Proponents for each short listed proposal may be invited to present their proposal to the Evaluation Committee either in-person or via video conference at the proponents own expense. Each of these presentations will be divided into three (3) sections;

- In the first section, the proponent will be given an open format to present its proposal.
- In the second section, the proponent will be asked to respond to specific questions presented to it by Evaluation Committee.
- The third section will be an open question and answer format, where either the proponent or the Evaluation Committee may ask questions.

The successful proponent will be recommended to Council for consideration under a conditional funding allocation based on highest total score.

5.5 Reservation of Rights

The Township intends to recommend the selection of a proponent based on the best overall value, as determined by the 'Evaluation Criteria' noted above. The selection of the successful proponent is subject to approval by the Township in accordance with the

provisions of the Procurement By-law. Non-compliant proposal submission will not be considered for evaluation.

The Township reserves the following rights with regards to this RFP:

- a) The right to accept or reject any or all proposal submissions, for any reason whatsoever, including if considered best for the interest of the Township.
- b) The right to not accept the lowest or any proposal submission.
- c) The right to cancel the RFP at any time up to the point of award.
- d) The right to enter into negotiations with qualified proponents that have demonstrated they are capable of carrying out the project successfully and that submitted an eligible proposal submission.
- e) The right to reissue an amended the RFP to the qualified proponents that submitted a proposal submission.
- f) The right to conduct reference checks on proponents, the results of which may affect the award decision.

6 GENERAL TERMS AND CONDITIONS

6.1 Exclusion of Proponents in Litigation

No proposal will be accepted from any proponent inclusive of its subcontractor(s), which has a claim or instituted a legal proceeding or has threatened a claim or instituted a legal proceeding against the Township or against whom the Township has a claim or instituted a legal proceeding with respect to any previous contract, without prior approval by Council.

6.2 Harmonized Sales Tax

All submissions shall indicate separately, Harmonized Sales Tax.

6.3 Workplace Safety & Insurance Board

The successful proponent shall have Worker's Safety and Insurance Board (W.S.I.B.) coverage for the type of work to be performed and shall provide the Township with a "Clearance Certificate" furnished by W.S.I.B. in advance of undertaking any of the work required by the proposal and additional clearance certificates to cover the duration of the project. The clearance certificate provided by W.S.I.B. certifies that the proponent is in good standing with W.S.I.B., and confirms that their account is active and up to date. The successful proponent shall be totally responsible for all subcontractors, including but not limited to WSIB and adequate insurance coverage's.

6.4 Legislative and Licensing Requirements

The successful proponent shall obtain the necessary permits, licenses and pay the required fees as they pertain to this assignment (where applicable), which are in force at the date of the proposal closing.

The successful proponent shall give the required notices and comply with the laws, ordinances, rules, regulations, codes and orders of the authorities having jurisdiction which are, or become, in force during the period for which services are performed in accordance with the schedule of work.

All proponents and proposals must comply with any law, including all legislation and regulations, which may be applicable to the services provided subsequent to the RFP. Any agreement that results from this RFP will be subject to the laws of the Province of Ontario and Canada.

The successful proponent shall, as a condition of the Contribution Agreement, be required to comply with the applicable laws of the Province of Ontario and Canada, including but not limited to the:

- The Occupational Health and Safety Act (Ontario);
- Ontario Human Rights Code;
- Pay Equity Act (Ontario); and,

Any and all other legislation as referenced in this RFP

The proponent shall work in compliance with all health and safety regulations to include, but not be limited to, the utilization of proper protective clothing / equipment and ensure that all equipment is kept up to safe operating standards at all times. The proponent acknowledges its obligations under the *Occupational Health and Safety Act*, and the Township's safety policy.

All procurement activities on behalf of the Township shall be undertaken in compliance with Section 13 of the *Ontarians with Disabilities Act*, 2001 S.O. 2001, Chap. 32, and the Accessibility for Ontarians with Disabilities Act, 2005 and all related regulations requiring regard to accessibility for persons with disabilities to the Goods or Services.

All proponents are required to acknowledge their obligations under the *Accessibility for Ontarians with Disabilities Act*, 2005, (AODA) and its regulations and evidence of compliance satisfactory to the Township in its sole discretion, prior to the commencement of a project. The addition of this clause is required for compliance with the AODA, 2005.

In addition, the successful proponent shall provide:

- Proof of Fall Arrest Certification. (If applicable).
- Where the Contract involves work within the traveled portion of a roadway, an acknowledgement of its understanding of the 'Ontario Traffic Manual' and agreement to abide by that manual prior to performing any work within the roadway (If applicable).
- A copy of their Health and Safety Policy to the Township prior to the project commencement date
- Evidence of compliance with any other legislation by which the trade or activity is governed.

6.5 Insurance

The successful proponent, at the proponent's expense, shall furnish the Township with a "Certificate(s) of Insurance" of a liability insurance policy covering public liability and property damage for no less than the minimum amounts stated below to the satisfaction of the Township, naming **The Corporation of the Township of North Frontenac** as additional insured and keep in force and to supply prior to the project commencement date and for the entire project period.

The standard insurance minimums are as follows:

- \$2 million – general liability policy.
- \$2 million - automobile liability policy.

- \$5 million – general liability and automobile liability policies – for work done for most public works and environmental services department projects which have specific high risk activities such as shoring or blasting.
- \$2 million – professional errors and omissions liability.
- Not more than \$2 million annual aggregate.

The policy must contain:

- a. A “Cross Liability” clause or endorsement.
- b. An endorsement certifying that the Township and the successful Contractor/firm are included as an additional insured.
- c. An endorsement to the effect that the policy or policies will not be altered cancelled or allowed to lapse without thirty (30) days prior written notice to the Township.
- d. All transportation equipment owned, leased or used by the Contractor/firm to carry out the work must be included in an automobile liability Insurance package provided by the Contractor/firm and filed with the Township prior to commencement of the work, with a limit of five million dollars (\$5,000,000.00) inclusive per occurrence or claim for bodily injury, death and damage to property.
- e. Proponent’s liability insurance policy shall not contain any exclusions of liability for damage, etc. to property, building or land arising from:
 - the removal or weakening of support of any property, building or land whether such support be natural or otherwise;
 - The use of explosives for blasting; and/or
 - The vibration from pile driving or caisson work, provided that the minimum coverage for any such loss or damage shall be five million dollars (\$5,000,000.00).

Proponents should note that additional/alternate construction insurance coverages and limits may be required for the builder and/or proponent in order to meet municipal or lender requirements. Proponents should examine these potential coverages as found in Appendix B of the RFP.

6.6 Incurred costs and Indemnification

The Township shall not be responsible for any liabilities, costs, expenses, loss or damage incurred, sustained, or suffered by any proponent prior or subsequent to or by reason of the acceptance or non-acceptance by the Township of any proposal submission, or by reason of any delay in the acceptance of a proposal submission.

The Township shall not be held liable for any portion of any agreement that proponents have entered into with Sub-Contractors and/or suppliers in relation to this RFP or subsequent Contract. The proponent shall be liable for any and all supervision, adherence to legislation, terms and conditions of the RFP, terms and conditions of

subsequent Contract, payments, and litigation arising from their arrangement with a Sub-Contractor or supplier.

Proponent shall protect, defend and save the Township harmless from suits or actions of every nature and description brought against it, for or on account, of any injuries or damages received or sustained by a party or parties, by or from any of the acts of the proponent, and/or the agents, employees, successors, or assigns the proponent.

6.7 Errors and/or Omissions

The Township shall not be held liable for any errors or omissions in any part of this RFP. While the Township has used considerable effort to ensure an accurate representation of information in this RFP, the information contained in the RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate by the Township, nor is it necessarily comprehensive or exhaustive. It is the responsibility of the proponent to check that the information provided is correct and that they have all information required to submit an accurate submission with any changes necessary.

6.8 Proposal Award Procedures

The successful proponent will be required to enter into a binding contract with the Township in the form of a Contribution Agreement which includes all terms and conditions. The Township will prepare the Contribution Agreement for execution by both parties and will not accept a Contract document prepared by the successful proponent or a third party.

Unless stated otherwise, the following procedures will apply with regards to award of funding under this RFP;

1. The Township will notify the successful proponent of the conditional award within a maximum of ninety (90) calendar days of the proposal closing. Notice of acceptance of proposal will be by written notice.
2. The Township will issue a Conditional Letter of Commitment to the successful proponent, setting out terms and conditions to be resolved prior to entering into the Contribution Agreement
3. Upon fulfillment of all conditions and approval by Council, the successful proponent will enter into a formal Contribution Agreement with the Township
4. Prior to the commencement of the project, all necessary documentation required by the Contribution Agreement shall be submitted to the Township by the proponent

6.9 Ability and Experience of Proponent

The Township will not award this contract to any proponent who does not furnish satisfactory evidence of possessing the ability and experience in this class of work and sufficient capital and equipment/manpower to ensure acceptable performance and

completion of the proposal. Any proposal will be considered non-compliant if reference checks or past experience is deemed unsatisfactory, in the opinion of the Township.

6.10 Proprietary Rights and Confidentiality

The proposal submission must not be restricted by any statement, covering letter or alteration by the proponent in respect of confidential or proprietary information. The Township shall treat all proposal submissions as confidential. The Township shall comply with the 'Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)', and its Retention By-laws pursuant to the 'Municipal Act', in respect of all submitted proposal documents.

All public reports approved by the Township will become public information. Such public reports will not include actual proposal submission documents but shall refer to the documents and may include the total amount of the submitted proposal.

The Township will not return or destroy copies of any successful proposal submitted. All unsuccessful proposal submissions will be destroyed in accordance with the Township's 'Records Retention By-Law'.

Proponent are reminded to clearly identify in their proposal material, any specific scientific, technical, commercial, proprietary, intellectual or similar confidential information, the disclosure of which could cause them injury or damage. All proposal documents are the property of the Township and as such, proposals will be considered confidential during the evaluation process.

Notwithstanding the foregoing, proponents acknowledge that the Township must comply with all provincial and federal privacy legislation, including the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA), when responding to requests for access to records. Given that proposals may be subject to access requests under MFIPPA, proponents must indicate in the proposal which parts of their proposal, if any, should not be routinely made public by the Township. Complete proposal details are not to be identified as "confidential".

6.11 Performance

Any undue delays in the execution of the work and/or costs incurred by the Township due to inefficiencies in performance on behalf of the successful proponent shall be deemed to be the responsibility of that proponent and as such, any and all cost, as deemed appropriate and reasonable compensation for the Township, will be assessed to the successful proponent.

6.12 Assignment

The successful proponent shall not assign, transfer, convey, sublet or otherwise dispose of this contract or his/her right, title or interest therein, or his power to execute such

contract, to any other person, company or corporation, without the prior consent of the Township, in writing, which consent shall not be unreasonably withheld.

7 APPENDICIES - RESOURCE INFORMATION

The following additional information is provided in the form of appendices for information purposes only and is intended to assist proponents by providing background information which they may find relevant to the RFP.

- A. Township Property Profiles
- B. Additional Insurance Provisions
- C. Universal/Accessible Design
- D. Energy Efficient Features
- E. Funding Opportunities and Resources

Appendix A: Township Property Profiles

To help facilitate the development of seniors affordable housing, the Township is making available two potential properties as part of its package of incentives. Proponents are encouraged to consider use of one of the sites for their proposal given their location, proximity to amenities and general development potential. Of the two sites, Council has expressed a clear preference to see development of the Cloyne property. Proponents are also able to provide their own site/property within the Township if they choose but will be required to demonstrate suitability and development readiness in accordance with the requirements of Sections 4.5.1 and 4.6 of the RFP document.

To allow for flexibility in possible development configuration, the Township has purposefully offered the subject sites in their current condition, recognizing that additional work will be required to bring the sites to development-ready status. Where the successful proponent has elected to use one of the municipal sites, the Township will undertake a site suitability assessment to ensure the proposed project can be appropriately accommodated within the subject site.

To facilitate this assessment, proponents will be required to identify in their proposal the intended use and configuration of the project with regards to the project site. Both sites are sizable in area and include other current uses which the Township has a desire to maintain, where appropriate and compatible. Proponents will need to provide a use plan for the site showing preferred configuration and how/if current uses may be accommodated in concert with the proposed project (see Section 4.5.1 of the RFP document).

Where the site suitability assessment confirms the ability to use the municipal property, the Township will work with the successful proponent under the terms of a Conditional Letter of Commitment to get the subject site ready for development with regards to any severance requirements, zoning approvals, in-situ agreements, etc. This assistance from the Township will be limited to getting the site development-ready from a land use perspective.

Proponents will continue to be solely responsible for the development and construction activities required to deliver the agreed project on the subject site. Among other things, this will include:

- making all necessary applications and entering into required site development agreements;
- undertaking any servicing design, approvals and installation associated with the provision of well water, private septic and other systems (e.g. hydro);
- designing the project in accordance within agreed parameters and in conformity with the Ontario Building Code;
- securing all necessary permits and approvals to facilitate construction and occupancy of the project; and,

- providing any necessary documentation that may be required by their lender to facilitate development/construction.

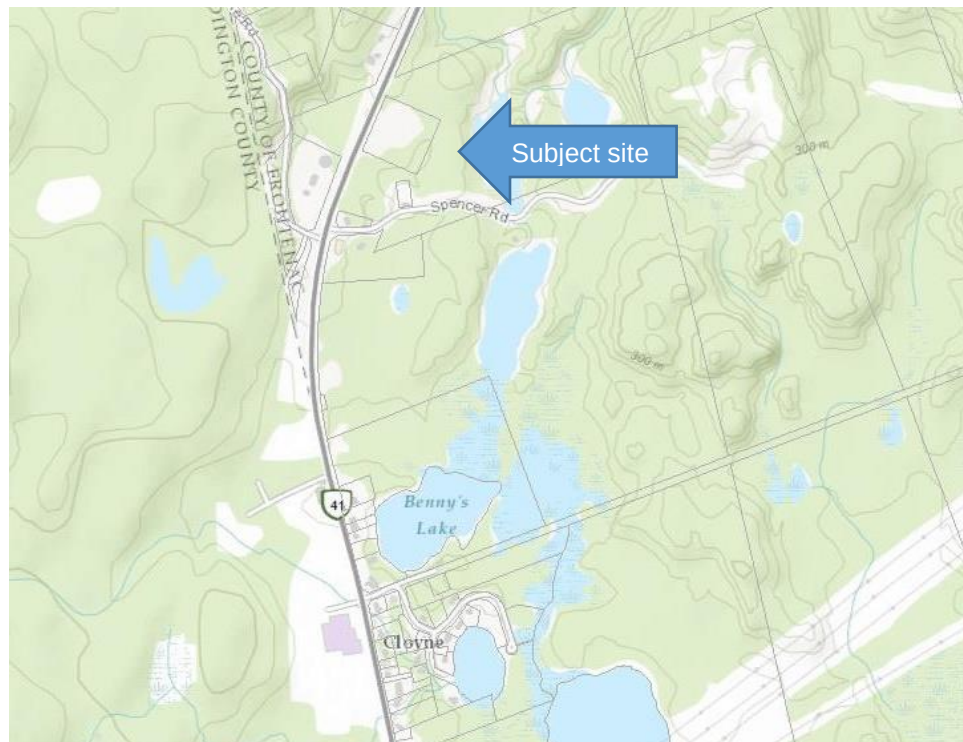
These general requirements are provided here for illustration only and should not be deemed as final. All details regarding proponent obligations for development of their project will be established within the Contribution Agreement.

Details regarding the current status of the respective site are as follows:

Cloyne site (preferred)

The Cloyne site has the following characteristics:

Address	14453 Highway 41
Legal description	Range B Pt Lot 18, RP 13R74, Part 1
Assessed value	\$69,000 (based on 2016 MPAC assessment)
Approx. size and dimensions	5.74 acres in total 500 ft. (frontage) x 500 ft. depth
Topography	Relatively flat and mostly open with rear tree cover
Current use(s)	Recreational uses including ball diamond, tennis courts & picnic area with residual land at the rear of the property
Servicing	None
Official Plan	Rural designation with a Mineral Aggregate Resource overlay within the Hamlet designation
Zoning	Hamlet designation - apartment dwelling is a permitted use
Environmental	No known issues



The site is a short distance to a nearby settlement area that has a number of amenities. While there are a number of existing uses on the site, the site is sufficiently large to accommodate a potential project with associated well and septic system but this would need to be confirmed technically. Configuration of the site will need to be carefully considered to meet project development requirements and to accommodate existing uses to the maximum extent possible. Partitioning the site for mortgage registration or other purposes may be required which would necessitate a severance. The site is also subject to an existing Crown covenant on title and where the successful proponent proposed to use the site for project development, the Township would undertake to get the necessary consent from Ministry of Natural Resource and Forestry to enable development.



Plevna site

The Plevna site has the following characteristics:

Address	6638 Buckshot Lake Road
Legal description	Clarendon SW Range Pt Lot 40, RP 13R3730, Pt. Part 1 and Part 4
Assessed value	\$139,000 (based on 2016 MPAC assessment)

Approx. size and dimensions	3.04 acres in total 350 ft. (frontage) x 400 ft. depth
Topography	Relatively flat and mostly open with rear tree cover
Current use(s)	Public library and former MNR building at front of property with residual land at rear of site
Servicing	None
Official Plan	Rural designation with a Mineral Aggregate Resource overlay within the Hamlet designation
Zoning	Hamlet designation – apartment dwelling is a permitted use
Environmental	No known issues



The site is in close proximity to the settlement area but only a modest number of amenities are available nearby. There are other existing uses on the site, and while the site is sufficiently sized to accommodate a potential project, siting necessary well and septic services would need to be confirmed technically. Given the location of the buildings on the property, configuration of the site will need to be carefully considered to meet project development requirements and to accommodate existing uses to the maximum extent possible. Partitioning the site for mortgage registration or other purposes may also be required which would necessitate a severance.



Appendix B: Additional Insurance Provisions

In addition to those insurance requirements stipulated by the Township under Section 6.0 of this RFP – “General Terms and Condition”, the following typical construction insurance coverages and limits may be required by the builder and/or proponent under this RFP. These requirements may be obliged in order to meet municipal requirements. Note also that the proponent’s lender or other interested parties may require additional insurance coverage. Final coverage requirements shall be determined and set out in the Contribution Agreement to be signed by the successful proponent and the Township.

- 1) Builder’s Risk Insurance (property insurance) for the full replacement value of the completed construction project, including a negotiated sub-limit for earthquake and flood.

The policy must include the following:

- a) replacement cost value;
- b) stated amount co-insurance;
- c) waiver of subrogation; and
- d) loss payable in favour of the Township.

- 2) Boiler and Machinery Insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis.

The policy must include the following:

- a) repair and/or replacement value;
- b) stated amount co-insurance;
- c) waiver of subrogation; and
- d) loss payable in favour of the Township.

- 3) Wrap Up Liability Insurance for Third Party Bodily Injury, Personal Injury and Property Damage to an inclusive limit not less than five million dollars (\$5,000,000.00) per occurrence and five million dollars (\$5,000,000.00) products and completed operations aggregate. The insurance shall be in the joint names of the Township, *[insert name of designated consultants, designated contractors]*, all other contractors, sub-contractors, suppliers and/or tradesmen while working on the site, engineers, architects, consultants or other person which the Township may require to be added as insured parties.

The policy must include the following:

- a) premises and operations;
- b) owner’s and contractor’s protective liability;
- c) broad form products and completed operations liability;
- d) cross liability;
- e) blanket written and oral contractual liability;

- f) all risks tenant's legal liability;
- g) hoist liability;
- h) fire fighting and forest fire fighting expense liability;
- i) employer's liability and voluntary compensation;
- j) non-owned automobile liability;
- k) directors, officers, employees, shareholders, legislators and officials involved in the project added as insureds and/or additional insureds;
- l) shoring, blasting, excavating, under-pinning, demolition, pile driving and caisson work, work below and above ground surface, work below and above water, tunneling and grading and similar operations associated with construction work, as applicable;
- m) sudden and accidental pollution liability with a discovery provision of not less than one hundred and twenty (120) hours and a subsequent reporting provision of not less than one hundred and twenty (120) hours; and
- n) thirty (30) day written notice of cancellation.

Appendix C: Universal/Accessible Design

Accessible Unit Standards (fully modified units)

Accessible units are designed for occupancy by disabled persons and the individual dwelling units should be designed for easy access and comfortable use by persons with a wide range of physical disabilities. Accessible units for individuals with special needs should conform to the design criteria as described in CAN/CSA B651-12 “Accessible Design for the Built Environment” or equivalent alternative. Details regarding this standard can be found at the following link:

https://www.csagroup.org/wp-content/uploads/B651-12EN_ACC.pdf

Universal Design Standards for Visitable Housing (modified units)

Visitable housing standards are intended to create homes that are welcoming to individuals who use wheelchairs, walkers or have some other form of mobility impairment. “Visitable” features are easy to construct on most terrain and are visually unnoticeable.

Common elements for promoting visitability in multi-residential buildings include:

- Level or gently sloping approaches to dwellings
- Access to entry door without any steps
- Sufficiently wide doors (32”-36”/80-90cm) and corridors (36”/90cm) to accommodate a wheel chair
- Sufficiently clear turning radius for a wheelchair in washrooms and kitchens

For multi-residential buildings that have multi-level dwelling units (townhouses, stacked townhouses), visitability features include:

- Ground floor toilet facilities for wheelchair users and the elderly
- A ground floor family room and/or kitchen facility

Visitable elements and wheelchair access must be clearly indicated in the design concept or articulated in the written proposal. Projects that incorporate these elements will receive additional consideration in the evaluation process in accordance with the degree of accessibility/visability that is provided.

Additional CMHC reference resources on accessible/visitable design are available at the following link:

<https://www.cmhc-schl.gc.ca/en/developing-and-renovating/accessible-adaptable-housing/universal-design-in-new-housing>

Appendix D – Energy Efficient Features

Typical features which can improve energy efficiency and assist in reducing energy costs over the lifecycle of a project include:

Building design

- Use of passive design strategies for project buildings to minimize heating and cooling loads, thereby minimizing the sizing requirements of mechanical systems
- Enhanced building envelope construction in terms of insulation, reduced air infiltration and weatherproofing to reduce heating and cooling loads
- Upgraded window and glazing systems - Double glazed windows with low-e coating, argon and spacers to reduce heat transfer

Lighting

- Use of compact fluorescent, LED and low consumption lighting, especially in common and exterior areas, where deemed appropriate
- Use of daylighting, occupancy sensors, and light controls to better manage energy usage in lighting systems

Appliances + Fixtures

- EnergyStar rated appliances – both in-suite and in building common areas (i.e. common rooms, laundry rooms, etc.)
- Low-flow water fixtures - Faucets with reduced flow (1.9 L/min) and showers with low flow (6.8 L/min) help to minimize heating requirements and lengthen mechanical system service life

HVAC

- High-efficiency heating and cooling systems such as furnaces, boilers, water heaters, air conditioning systems, etc,
- Ground-source or air-source heat pumps
- Efficient air ventilation and circulation systems which better distribute heated/cooled air (e.g. ceiling fans)
- Advanced controls and monitoring systems – automated building system controls (where warranted) to better manage energy usage in mechanical systems

Proponents are encouraged to maximize use of energy efficient technologies in order to promote project sustainability, both financially and operationally. Projects that incorporate some or all of these elements and can demonstrate that measures will exceed current building code requirements will receive preference in the evaluation process in accordance with the degree of energy efficient features provided.

Proponents are also encouraged to contact their local utilities and energy providers to confirm whether local incentive programs may apply.

Appendix E – Other Funding Opportunities and Resources

The Township has provided a comprehensive package of incentives to help facilitate the development of affordable seniors housing in North Frontenac. However, there are other potential resources available which may be attractive for use by proponents that may help to enhance affordability, operating viability and project design.

Proponents may wish to seek out these or other opportunities to support their project. However, proponents should be mindful that eligibility, application, timing and use requirements associated with such resources will vary considerably from program to program. These can add complexity and additional approvals timelines to any given project.

Due to the development timeline and scale of construction envisioned under this RFP, proponents should carefully weigh the impact and benefit of pursuing such alternate resources. Where proponents plan to use such resources, they are required to provide in their proposal requisite details with regards to securing such resources and how these may impact project viability and timing.

Some possible resources include:

Capital funding for affordable housing

Under the *Ontario Priority Housing Initiative (OPHI)*, successful applicants are provided capital funding to develop new affordable housing either through new development or through acquisition and renovation. In exchange for capital funding, successful applicants are expected to provide rental accommodations at affordable levels for a prescribed duration. Funds are provided via the Federal and Provincial government and delivered locally by the City of Kingston as the designated Service Manager. More information on this program can be found at the following web link:

<https://www.cityofkingston.ca/residents/community-services/housing/programs>

or by contacting John Henderson at the City of Kingston:

John Henderson
Housing Programs Administrator
613-546-2695 ext. 4976
jhenderson@cityofkingston.ca

Financial assistance/Mortgage underwriting

Under the *National Housing Co-Investment Program* which is administered by CMHC, applicants may access assistance to support affordable housing development. This assistance can include a grant component but is primarily provided as a loan vehicle with preferred terms. Successful applicants are

expected to provide affordable rental accommodation for a prescribed duration. Applicants receive preferred consideration for funding based on social outcomes they achieve through project development. Funds are provided directly by CMHC and more information on this program can be found at the following web link:

<https://www.cmhc-schl.gc.ca/en/nhs/co-investment-fund>

CMHC also provides a comprehensive package of mortgage underwriting services. This mortgage insurance enables borrowers to access preferred lending terms and conditions based on the type and affordability of their development. These better-than-market terms can help to reduce borrowing costs and support affordability. Applications fees and premiums for this insurance are tiered, depending on the level of affordability provided by the proponent. This program is administered directly by CMHC and more information can be found at the following web link

<https://www.cmhc-schl.gc.ca/en/finance-and-investing/mortgage-loan-insurance/rental-housing-solutions>

Energy conservation assistance

The Federation of Canadian Municipalities' Green Municipal Fund offers assistance to support the design and implementation of energy conservation features within community and affordable housing projects. Under the *Sustainable Affordable Housing initiative*, successful applicants can secure assistance to help them plan, design and integrate features into their project which support energy conservation and climate objectives. In exchange for funding, applicants are expected to demonstrate achievement of targets for reductions in greenhouse gases. This program is administered directly by FCM and more information can be found at the following web link:

<https://www.fcm.ca/en/funding/gmf/capital-project-new-construction-sustainable-affordable-housing>

8 SCHEDULES FOR SUBMISSION

The following Schedules are attached and must be completed and submitted as part of each proponent's proposal. Failure to provide all required Schedules will render the submission incomplete and not valid for evaluation.

- Schedule 1: Proponent's Declaration Form
- Schedule 2: Project Information Form
- Schedule 3: Organizational Profile
- Schedule 4: Development Schedule
- Schedule 5: Financial Worksheets
- Schedule 6: Confirmation of Financeability
- Schedule 7: Reference Form
- Schedule 8: Environmental Declaration
- Schedule 9: Proof of Ownership or Leasehold Interest in Land
- Schedule 10: Land/Property Confirmation Worksheet
- Schedule 11: Capital Funding & Equity Worksheet
- Schedule 12: Proposal Submission Checklist

SCHEDULE 1 – PROPONENT DECLARATION FORM

This Schedule Must Be Completed, Signed and Submitted

I/We _____
(name)

(title/position)

of _____
(name of firm)

1. DECLARE that no person, firm or corporation other than the one who's signature or the signature of whose proper officers I attached below, has any interest in this proposal or in the Contribution Agreement proposed to be undertaken.
2. FURTHER DECLARE that this proposal is made without any connection, knowledge, comparison of figures or arrangement with any other company, firm or person making a proposal for the same requirement (unless performed under a "joint" agreement and so declared in the proposal), and in all respects is fair and without collusion or fraud.
3. FURTHER DECLARE that no Township employee, or Member of Council is, or will become interested directly or indirectly as a contracting party unless disclosed as follows:
4. FURTHER DECLARE that all statements, schedules and other information provided in this proposal are true, complete and accurate in all respects to the best knowledge and belief of the proponent.
5. FURTHER DECLARE that I have carefully examined the RFP package, response requirements, general conditions, requirements and hereby acknowledge the same to be part and parcel of any contract to be let for this project therein described or defined and do all the work and to provide the services of the project mentioned for the price(s) stated.
6. FURTHER DECLARE that the agent listed below is hereby authorized by the proponent to submit this proposal and is empowered and authorized to negotiate all matters with the Township representatives on behalf of the proponent.

SCHEDULE 1 – PROPONENT DECLARATION FORM

7. AGREE that this proposal is to continue open for acceptance until the formal Contribution Agreement is executed with the successful proponent and that the Township may, at any time within that period, without notice, accept this proposal whether any other proposal has been previously accepted or not.
8. AGREE that in the event my/our proposal is selected for funding under this RFP, in whole or in part, to finalize and execute the Contribution Agreement in accordance with this proposal.
9. FURTHER DECLARE that I/we have reviewed and have allowed for Addenda issued under this RFP, numbered as follows: Addendum # _____ through to Addendum # _____.

Signature of Authorized Officer

Name of Authorized Officer (print)

Signature of Authorized Agent (*if applicable*)

Name of Authorized Agent (print, *if applicable*)

THIS FORM MUST BE INCLUDED IN YOUR COMPLETED IN INK, IN FULL. FAILURE TO DO SO SHALL RESULT IN THE SUBMISSION BEING REJECTED.

SCHEDULE 2 – PROJECT INFORMATION FORM

This Schedule Must Be Completed, Signed and Submitted

The following proposal for funding is submitted by:

Proponent's Legal Business name	
Proponent Address	
Proponent's Primary Contact (<i>name</i>)	
Contact Phone No.	
Contact Fax No.	
Contact E-mail	
Address for Proposed Project (<i>incl. municipality</i>)	
Total Number of units proposed	

I/We hereby propose to develop an affordable housing project under the terms of Township of North Frontenac RFP #2021-12 and as such, make the following declarations and statements about the proposed project:

1. Proponent

I/We hereby declare that our organization is eligible to participate in this RFP process and is putting forward an eligible project for consideration.

2. Project Location:

My/Our project will be located in _____ (municipality) at
_____ (municipal address or legal description)

I/We hereby declare that the above building/site is currently: (*please check one only*):

- ☐ Owned by the Township and being offered under this RFP.
- ☐ Owned by the proponent.
- ☐ Under agreement with a third party and will be owned by the proponent within 4 months from the date of the Conditional Letter of Commitment.
Note: failure to provide required documents by the end of conditional period may disqualify the proponent from participation and funding.

SCHEDULE 2 – PROJECT INFORMATION FORM

I/We hereby declare that the above building site currently has available servicing (road, water, hydro, sewer, other) or that such servicing to the site will be in place within 4 months from the date of the Conditional Letter of Commitment per the table below:

Servicing Type	Source		Status		Timing (if not available now)
Road access	☐ public	☐ private	☐ available now	☐ pending	
Water		☐ private	☐ available now	☐ pending	
Septic system		☐ private	☐ available now	☐ pending	
Hydro	☐ public	☐ private	☐ available now	☐ pending	
Other (specify)	☐ public	☐ private	☐ available now	☐ pending	
Other (specify)	☐ public	☐ private	☐ available now	☐ pending	

I/We hereby declare that the above site is currently zoned _____ and that the following municipal approvals are in place or will be in place within four (4) months from the date of the Conditional Letter of Commitment (*list all required approvals and associated dates*):

Note: Failure to provide required documents by the end of conditional period may disqualify the proponent from further participation and funding

This box ONLY for Non-Profit Housing Providers operating under the Housing Services Act

I/We currently own and manage social housing project(s) and hereby confirm that (*check only one*):

- ☐ I am proposing to use my/our existing project land and/or equity to participate in the program.
- ☐ I am **NOT** proposing to use my/our existing project land and/or equity to participate in the program.

I/We hereby declare that where I/we intend to use existing project land and/or equity, the required HSA consents for the use of this land and/or equity will be obtained within four (4) months from the date of the Conditional Letter of Commitment.

SCHEDULE 2 – PROJECT INFORMATION FORM

3. Type of Construction

I/We declare that I/we will create new affordable rent units by *(please check one)*:

- ☐ Constructing new residential units (including new additions)
- ☐ Acquiring and rehabilitating existing residential units (excluding existing social housing)
- ☐ Converting non-residential space to purpose-built residential units
- ☐ Other *(please specify)* _____

4. Building Form and Size

My/Our project will contain a total of _____ rental units.

I/We declare that my/our project will be comprised of self-contained units in the following built form *(please check as many as apply)*:

- ☐ Low rise apartment
- ☐ Stacked townhouse
- ☐ Row/town house
- ☐ Other *(please specify)* _____

I/We declare that the proposed project shall provide the following number of funded (AMR + BMR units) and non-funded units at the proposed following sizes:

Unit Type	Funded Units	Unit Size (ft ² or m ²)	Non-Funded Units	Unit Size (ft ² or m ²)	TOTAL UNITS
1 Bedroom					
1 Bedroom (modified)					
2 Bedroom					
2 Bedroom (modified)					
Other (specify)					
Other (specify)					
TOTAL		+		=	

SCHEDULE 2 – PROJECT INFORMATION FORM

5. Building Requirements and Project Amenities

I/We declare that the proposed project shall incorporate the following building requirements *(please check all that apply)*:

- ☐ Full size kitchen appliances (i.e. not apartment size)
- ☐ Washer/dryer facilities in-unit (preferred) or via a common area that is accessible on the same floor
- ☐ Amenity space for residents (i.e. a common room, sitting area, patio/play area, etc. other than space already provided in units)
- ☐ A minimum of 1 parking stall per unit (subject to any additional requirements that may exist in local zoning bylaws)
- ☐ Suite meters for electricity (optional)

The additional amenities to be provided include *(please specify)*:

6. Accessible Units

I/We declare that the proposed project shall have _____ number of units fully modified for accessibility to accommodate persons with physical disabilities and _____ number of units modified to accommodate persons with mobility impairments; and

- ☐ All funded units will include roll-in showers
- ☐ VISIBLE accessibility will be provided for building and unit access

7. Project Concept

I/We declare that the proposed project reflects the requirements set out in Section 4.5.3 of the RFP documents and have enclosed the following required information to assist the Township in the evaluation of our proposal:

- ☐ Site plan sketch - illustrating building(s) orientation, sewage system, well, road access, required parking and basic setbacks.
- ☐ Typical building floor plate sketch - illustrating basic unit configurations as well as organization/relationship to other project space (i.e. amenity space, etc.)
- ☐ Typical unit layouts with floor sizes - illustrating basic unit layout and arrangements for both regular and modified units

SCHEDULE 2 – PROJECT INFORMATION FORM

Although not a requirement of this RFP submission, I/we have also enclosed the following additional material to assist the Township in the evaluation of our proposal (please check all that apply):

- ☐ Detailed design drawings (preferred)
- ☐ Sketch of typical elevations
- ☐ other (please specify): _____

8. Tenants and Rents

I/We hereby declare that the funded units in the proposed project will provide housing only for senior persons (those aged 65 or older). In addition, I/we confirm that where non-funded units are being provided, these units will be targeted towards the following client groups (check all that apply):

- ☐ Seniors
- ☐ Persons with disabilities
- ☐ Other (specify) _____
- ☐ Singles
- ☐ Working poor households

I/We hereby declare that all funded units will be rented to households that have incomes at or below the initial income limit established by the Township. For 2021, the maximum incomes by unit type are as follows:

Unit Type	1 bedroom AMR	2 bedroom AMR	1 bedroom BMR	2 bedroom BMR
Initial Income Limit	\$43,968	\$51,187	\$35,174	\$40,950

I/We hereby declare that all rents for funded units charged during the affordability period will be at or below the affordable rents established under the RFP provision. In particular, the rents I/we shall charge at the initial rent-up are as follows:

Unit Type	1 bedroom AMR	2 bedroom AMR	1 bedroom BMR	2 bedroom BMR
Maximum permitted rents	\$916	\$1,066	\$733	\$853
Rents to be charged				

I/We declare that the project rents will (please check only one)

- ☐ include utilities
- ☐ will NOT include utilities.

The utilities included in the rent will be as follows (please specify):

SCHEDULE 2 – PROJECT INFORMATION FORM

I/We declare that the project rents for funded units will be maintained at affordable rates for a minimum of _____ years (*minimum requirement is 20 years*).

I/We further declare that I/we will execute and follow all of the requirements of the Contribution Agreements and further, that only those tenants meeting the eligibility requirements set by the Township will be housed in the funded units.

SIGNED SEALED AND DELIVERED in the presence of:

	{	I/we have authority to bind the Proponent
		Signature of Proponent
		Position
		Print Name
Signature of Witness		Date Signed

	{	I/we have authority to bind the Proponent
		Signature of Proponent
		Position
		Print Name
Signature of Witness		Date Signed

SCHEDULE 3 – ORGANIZATIONAL PROFILE

This Schedule Must Be Completed and Submitted

Legal Name of Organization	
----------------------------	--

Date of Incorporation:		Incorporation #	
------------------------	--	-----------------	--

☐ I/we have attached a copy of our Articles of Incorporation and Corporate By-laws.

List of Organization's Directors: If position not applicable – state N/A

Name	Address	Occupation
President:		
Vice President:		
Secretary:		
Treasurer:		
Directors/Other Officers:		
Directors/Other Officers:		
Directors/Other Officers:		
Directors/Other Officers:		
Directors/Other Officers:		
Directors/Other Officers:		
Directors/Other Officers:		

SCHEDULE 4 – DEVELOPMENT SCHEDULE

This Schedule Must Be Completed and Submitted - explanatory notes, if required, must be attached to this submission.

Activity <i>(If Activity is not applicable – state why in comments section)</i>		Expected Date or Timeframe	Comments
Design Drawings:	Architect selection		
	Concept		
	Final		
Zoning and Site Plan approvals:	Application		
	Issued		
Land	a) Purchase Complete		
	b) Land Lease Complete		
Environmental	ESA 1 completed		
	ESA 2 completed		
	ESA 3/remedial action plan completed		
	Record of Site Condition registered		
Proof of Required Owner Equity			
Working Drawings	Concept		
	Final		
Other Municipal Approvals & Permit	Application		
	Issued		
Construction Contract Type	Construction Tender Issued		
	Construction Contract Awarded		
Building Permit	Application		
	Issued		
Construction / Renovations:	Contract signed		
	Construction Start		
	Substantial Completion		
	Occupancy		
CMHC Certificate of Insurance obtained (if reqd.)			
Financing	Mortgage/lending documents signed		
Agreements for incentives	Conditional Letter of Commitment		
	Contribution Agreement Signed		
	Other Funding Agreements signed		
	Demand loan and other legal documents signed and registered		

SCHEDULE 5 – FINANCIAL WORKSHEETS

This Document Must Be Completed and Submitted. Justification and explanatory notes must be attached to this submission.

General Information

Site Area (ft ² or m ²)	
Surface parking (number of spaces)	
Total Floor Area (Gross Floor Area - ft ² or m ²)	
Net Residential Floor Area(ft ² or m ²)	
Non-Residential Floor Area (specify uses and ft ² or m ²)	
Base Construction Cost per ft ² or m ² (specify)	

Type of Units to Be Provided	Number of Funded Units	Number of Non-Funded Units	Total Number of Units
One Bedroom			
Two Bedroom			
Other (specify)			
Other (specify)			
Sub-total - Units			

Proposed Capital Funding (insert from Capital Funding Worksheet – Schedule 13)

Requested Municipal Land contribution (insert value)	
Requested Municipal Capital Contribution (maximum \$437,500)	
Requested Fee Relief (maximum \$13,500)	
Requested Property tax relief (maximum \$10,500)	
HST Rebates (<i>if applicable, specify calculation</i>)	
Other Funding/Equity (<i>specify</i>)	
Other Funding/Equity (<i>specify</i>)	
TOTAL FUNDING	

Projected Capital Budget

Include HST in all costs listed in the budget worksheets

CAPITAL BUDGET		
1	Land or Property Acquisition	Cost
a)	Purchase Price	
c)	Geotechnical, Environment Site Assessment(s)	
d)	Legal Fees (land only)	
e)	Demolition costs/site servicing (incl. demolition specifications if applicable)	
f)	Site remediation (if applicable)	
g)	Land Transfer Tax	
h)	Survey	
i)	Appraisal	
j)	Other (<i>please specify</i>)	
	Subtotal Land or Property Acquisition	

SCHEDULE 5 – FINANCIAL WORKSHEETS

2	Soft Costs	Cost
a)	Legal Fees (other than Land)	
b)	Municipal Approvals and Permits (<i>Full Costs- do not deduct incentives</i>)	
	Planning Approvals	
	Building Permit Fees	
	Development Charges	
	Parkland Levy	
c)	Consultants	
	Architectural, Mechanical, Electrical, Structural, Landscape, Code	
	Planning Consultant	
	Development Consultant	
	Quantity Surveyor	
	Other Studies (e.g. stormwater management plan) (<i>please specify</i>)	
d)	Mortgage Insurance Fees and Premium	
e)	Interest During Construction	
f)	Insurance During Construction	
g)	Taxes During Construction	
h)	Other (e.g. marketing/rent-up, audit, insurance, financing application fees) (<i>please specify</i>)	
i)	Contingency on Soft Costs (<i>indicate percentage</i>)	
	Subtotal: Soft Costs	

3	Construction/Renovation Costs	Cost
a)	Construction/Renovation	
b)	Building remediation (if applicable)	
c)	Construction Management Fee	
d)	Stoves and Refrigerators	
e)	Laundry Equipment	
f)	Furnishings and Equipment	
g)	Surface Parking (only if separate from Const. costs)	
h)	Landscaping (only if separate from Const. costs)	
i)	Other (<i>please specify</i>)	
j)	Contingency: ____ % of hard construction costs (<i>specify</i>)	
	Subtotal: Construction/Renovation Costs	

TOTAL CAPITAL COSTS (<i>Add Subtotals from sections 1, 2 and 3</i>)	
--	--

Capital Financing/Lending Requirements

SCHEDULE 5 – FINANCIAL WORKSHEETS

o) TOTAL CAPITAL COSTS (from previous page)	
p) Less TOTAL CAPITAL FUNDING (from previous page)	
q) Net financing/lending requirement (a - b)	

Projected Operating Budget (first year of operation)

Revenue			
a) Income from Units at Affordable Rents			
	Total Units A	Monthly Rent B	Annual Rent C (AxB)
One Bedroom			
Two Bedroom			
TOTALS			
b) Fundraising (Specify)			
c) Donations/Other funding (Specify)			
d) Laundry/parking revenue			
e) Income from market rents – non-funded units (provide calculation)			
f) Other income(Specify source)			
g) HST rebates (if applicable, specify calculation)			
Total Revenue			
Less Vacancy Loss Calculated at ____% of Rental Income			()
Net Revenue			
Expenditures			
a) Management Fee/Administrative Costs			
b) Building Operating Costs (Maintenance & Materials)			
c) Utilities			
d) Municipal Taxes			
e) Insurance			
f) Other professional fees (audit, etc.)			
g) Mortgage Payment			
h)Other costs (specify)			
i) Capital Replacement Reserves (____% of Revenue or Operating Costs – please specify)			
j) Other: (please specify)			
Total Operating Costs			0
Annual Surplus (Shortfall) Projected			
Debt Coverage Ratio (DCR = Net Revenue divided by Net Operating Costs (i.e. excludes mortgage payment)			
Justification and explanatory notes must be attached			

**SAMPLE LETTER FROM LENDER
PRELIMINARY FINANCIAL VIABILITY**

[Lender's Letterhead]

RE: Project Name, Address & Proponent Name

We have reviewed [Proponent's Name]'s proposed capital and operating costs for its [project description].

Our preliminary evaluation confirms that the proposed project is financially viable from a lending perspective and that the proposed project would support financing based on the following assumptions:

Proposed capital budget: _____

Net annual income: _____

Interest ceiling rate: _____

Debt cover ratio: _____

Should you have any questions, please contact _____.

[To be signed by lender representative]

SCHEDULE 7 – REFERENCE FORM

This Schedule Must Be Completed and Submitted

By completing this form, the proponent authorizes members of the Evaluation Committee for this RFP to contact the following individuals and companies to verify the information contained in the submission and to make inquiries which the Committee deems necessary in order to determine proponent suitability.

Note: *All references should be able to attest to prior relevant work completed by the proponent*

REFERENCE #1

Name:

Address:

Phone
Number:

REFERENCE #2

Name:

Address:

Phone
Number:

REFERENCE #3

Name:

Address:

Phone
Number:

SCHEDULE 8 – ENVIRONMENTAL DECLARATION

This Schedule Must Be Completed, Signed and Submitted

I/We hereby declare that:

- Environmental information provided in this submission is believed to be true and complete at the time of submission;
- I/We am not aware of any contamination or possible contamination in the building/subject site, other than (please specify):

- The building/site being proposed has not been specifically identified under an Order from the Minister of the Environment;
- A Phase 1 Environmental Site Assessment (ESA), duly completed by a qualified person and which confirms the environmental contamination of the proposed project site, has been completed and attached to this proposal; and,
- I/We fully indemnify the Township of North Frontenac from any and all claims arising from the identification, delineation and clean-up of any environmental contamination at the proposed building/project site.

SIGNED SEALED AND DELIVERED in the presence of:

 <i>Signature of Witness</i>	{	I have authority to bind the Proponent
		 Signature of Proponent
		 Position
		 Print Name
		 Date Signed

 <i>Signature of Witness</i>	{	I have authority to bind the Proponent
		 Signature of Proponent
		 Position
		 Print Name
		 Date Signed

SCHEDULE 9 – PROOF OF OWNERSHIP OR LEASEHOLD INTEREST IN LAND

This Schedule Must Be Completed and Submitted where proponents intend to NOT use either of the sites being offered under this RFP by the Township.

By completing this form, the proponent confirms that they have a controlling interest in the building/property to be used for the project. The proponent sustains this control in the following manner (*select one only*):

- ☐ The proponent owns the building/land designated as the site for the proposed project known municipally as _____ and described legally as _____

OR

- ☐ The proponent holds a valid and binding option to purchase or a conditional purchase and sale agreement for the building/land designated as the location for the proposed project known municipally as _____ and described legally as _____

Upon request, the proponent will provide satisfactory evidence in the form of a certified copy of said Option or an Agreement of Purchase & Sale as required by the Conditional Letter of Commitment.

SCHEDULE 10 – LAND/PROPERTY CONFIRMATION

This Schedule Must Be Completed, Signed and Submitted

I/We certify, that the affordable housing project proposal we have submitted is intended to be located on: *(please check one)*:

- ☐ The municipal site or a portion thereof being offered in Cloyne
- ☐ The municipal site or a portion thereof being offered in Plevna
- ☐ An alternate site/property within the Township that we are offering as part of our proposal

I/We certify to the best of our knowledge, that the project site/property we plan to use has the following estimated current value:

Proposed project site/property	Estimated value
Municipal site – please estimate value based on proportion of current assessed value (per Appendix A)	
Alternate site - please estimate value based on current assessed value of suitable alternate and provide supporting justification	

I/We further certify the following with regards to the project proposal:

YES NO

- ☐ ☐ The subject land for the project is zoned for the intended use
- ☐ ☐ The building/site is/will be serviced for the intended use
- ☐ ☐ There are no outstanding municipal work orders against the proponent
- ☐ ☐ There are no outstanding taxes owed by the proponent to the municipality

Authorized Signing Officer

Authorized Signing Officer

Date

Date

Print Name and Title

Print Name and Title

SCHEDULE II – CAPITAL FUNDING & EQUITY WORKSHEET

This Schedule Must Be Completed, Signed and Submitted

I/We hereby confirm the capital funding requested, the other capital contributions secured for the project and the proponent equity being provided as follows:

Funding Source	Type of Funding	Total Requested Funding	Other Capital Funding/ Equity	Total Capital/ Equity
Municipal Funding	Requested Municipal Land contribution (<i>from Schedule 10</i>)			
	Requested Township/County Capital Contribution (maximum \$437,500)			
	Requested Fee Relief (maximum \$13,500)			
	Requested Property tax relief (maximum \$10,500)			
Other Funding or Assistance	Total other funding/assistance secured (provide details) Mandatory	<i>n/a</i>		
Proponent Equity	Required equity + other (specify) Mandatory	<i>n/a</i>		
	Total Funding (A)			
	No. of Funded Units (B)			
	Avg. Funding per Funded Unit (A divided by B)			

Calculation of Proponent Equity

Type or Form of Equity (Include any details of any specified use or application of the funding/equity)	Date to be advanced	Amount (If other than cash, show how this was calculated)

Note: failure to provide equity prior to date of advance will disqualify proponent from participation and funding.

Authorized Signing Officer

Authorized Signing Officer

Date

Date

Print Name and Title

Print Name and Title

SCHEDULE 12 – PROPOSAL SUBMISSION CHECKLIST

This Schedule Should be Completed and Submitted

General (per RFP Section 4.1)

- ☐ Proponent Declaration Form - Schedule 1 (*Mandatory*)
- ☐ Project Information Form – Schedule 2 (*Mandatory*)

Sponsor Group (per RFP Section 4.2)

- ☐ Organizational profile – Schedule 3 (*Mandatory*)
- ☐ Up to date Certificate of Status and Corporate Profile issued under the Act pursuant to which the Corporation has been incorporated.
- ☐ A copy of the organization's Articles of Incorporation and Corporate By-laws
- ☐ Information on the qualifications and experience of the directors of the corporation
- ☐ An overview of the organization's housing portfolio as well as the main activities and areas of service the corporation provides
- ☐ Satisfactory evidence that the proponent is in sound financial position and has the economic capacity to complete the project. Such evidence shall include audited or accountant-reviewed financial statements, as well as bank or trade references.
- ☐ Additional information which further demonstrates financial stability

Proponent experience

- ☐ A list of the housing projects which the organization has developed, including a brief profile of each which includes a description of the funding structure/program under which it was developed
- ☐ A description of the approach used by the proponent to manage the development and construction of the project
- ☐ A description of the management structure the organization currently employs to effectively operate its housing portfolio

Partnerships

- ☐ A description of the key community partners involved in past project development, the role they played and key contact information
- ☐ A description of the partner(s) being proposed for the current project, how these partnerships will enhance affordable housing, and the expected operating relationship between the organizations
- ☐ Written confirmation from each partner organization of the role, services and supports they will provide for the proposed project

References

- ☐ Reference form – Schedule 7 (*Mandatory*)

Development team (per RFP Section 4.3)

- ☐ A description of the proposed development team (architect, development consultant, project manager, solicitor, etc.), past working relationships with the proponent
- ☐ A brief profile of each individual team member assigned to the project, highlighting their qualifications, directly relevant project experience and their role in the project (attach resumes for staff and hired professionals)

SCHEDULE 12 – PROPOSAL SUBMISSION CHECKLIST

- ☐ Company profile for each participating firm, outlining experience in working on project of similar scale, scope and complexity
- ☐ Contact names and coordinates (phone/e-mail) for projects listed as similar in scale, scope and complexity. The Township, as part of its evaluation process, may choose to carry out reference verifications.

Client Group (per RFP Section 4.4)

- ☐ Identify the intended target group
- ☐ Clear rationale for serving non-priority client groups
- ☐ Strategy for filling vacancies for both funded and non-funded units
- ☐ Confirm selection of tenants for funded unit who meet eligibility requirements

Confirmed period of affordability

- ☐ Tenant Selection and Occupancy Plan (per Section 4.4.4)
- ☐ Additional tenant supports (if being provided – per Section 4.4.5)

Development Concept (per RFP Section 4.5)

- ☐ Proof of Ownership – Schedule 9 (*mandatory*)
- ☐ HSA consent (*only for current social housing providers if required*)
- ☐ Confirmation of site/building status (per Section 4.5.1 + Schedule 10 *mandatory*)
- ☐ Environmental declaration – Schedule 8 (*mandatory*)
- ☐ Phase 1 – ESA report
- ☐ Confirm technical site suitability, explanation of any actual/perceived impacts on development and risk mitigation of impediments (i.e. remedies)

Design requirements

- ☐ Clarification of built form
- ☐ Confirmation regarding construction apprentices
- ☐ Site plan sketch - illustrating building(s) orientation, road access, required parking and basic setbacks. Detailed design drawings are not required at this stage but are preferred.
- ☐ Typical building floor plate sketch - illustrating basic unit configurations as well as organization/relationship to other project space (i.e. amenity space, etc.)
- ☐ Typical unit layouts with floor sizes
- ☐ Sketch of typical elevations – Preferred but not mandatory

- ☐ Building/unit requirements – required elements, suite meters, etc.
- ☐ Municipal building objectives – description of how municipal objectives are addressed by proposed project design.

- ☐ Accessibility – description of accessibility features, demonstrated degree of visitability
- ☐ Energy efficiency – description of energy efficiency features in project

SCHEDULE 12 – PROPOSAL SUBMISSION CHECKLIST

Project Readiness (per RFP Section 4.6)

- ☐ Development Schedule – Schedule 4 (*mandatory*)
- ☐ Confirmation of property/land use approvals – Schedule 10 (*mandatory*)
- ☐ Neighbourhood acceptance strategy

Project Financial Viability (per RFP Section 4.7)

- ☐ Detailed financial worksheets – Schedules 5 (*mandatory*)
- ☐ Supporting documentation for budget worksheets
- ☐ Proponent contributions (equity) – Schedule 11 (*mandatory*)
- ☐ Confirmation of financeability – Schedule 6 (*mandatory*)

Project Sustainability (per RFP Section 4.8)

- ☐ Property Management plan
- ☐ Tenant transition plan

Date:

September 2, 2022



Resolution Number

357 - 22

**RESOLUTION OF THE COUNCIL OF THE
CORPORATION OF THE TOWNSHIP OF NORTH FRONTENAC**

Moved by:

John Lytle

Seconded by:

[Signature]

BE IT RESOLVED THAT Council instructs the CAO and
Treasurer to meet with both Community
Services and negotiate; review services;

And that the CAO and Treasurer report back
to Council.

Carried

Mayor

Ron Higgins

Date June 30, 2022



Resolution # 269-22

**Resolution of the Council of the
Corporation of the Township of North Frontenac**

Moved By:

A handwritten signature in black ink, appearing to be "John D. H.", written over a horizontal line.

Seconded By:

A handwritten signature in black ink, appearing to be "V. H.", written over a horizontal line.

Be It Resolved That Council receives for information the Mayor's Administrative Report entitled, Senior Housing – County Funds;

And That Council instructs the Mayor and Deputy Mayor, as our County representatives, to submit an Administrative Report to County Council to reconsider the May 2018 decision and that we request a reallocation of the \$337,500 to keep seniors at home;

And That Council reallocates the \$100,000 approved in the 2022 Budget from the Contingency Reserve Fund for Seniors Housing to be placed in a new Seniors Reserve Fund;

And That Council invite Land O'Lakes Community Services to a Council Meeting to discuss options for providing home maintenance to seniors in North Frontenac, for Council's consideration.

Carried

Mayor

A handwritten signature in black ink, appearing to be "Ron Higgins", written over a horizontal line.



**Resolution of the Regular Council
of the Corporation of the Township of North Frontenac**

Date: June 27, 2024

Resolution # 249-24

Moved By:

Seconded By:

Be it Resolved That Council receives for information the Chief Administrative Officer and Treasurer's Administrative Report entitled "Update re: Home Support Program for Seniors and Individuals with Physical Disabilities in North Frontenac Township";

And That Council approves the updated 2024-2027 Memorandum of Understanding which includes up to \$6 per hour to provide indoor and outdoor services; a subsidy of \$3 per meal for the Meals on Wheels Program; and up to .10 cents per km (maximum of \$25 per trip) for transportation costs for payment to the Rural Frontenac Community Services and Land O'Lakes Community Services, for qualifying residents of North Frontenac Township;

And That Council will consider a By-law later in the Meeting to sign the Memorandum of Understanding;

And That the Township allocates a maximum of \$10,000 to each agency annually, however each agency will invoice the Township for actual services provided which will assist in continuing to assess the need for the Program and potential future costs to ensure the Program remains sustainable if needed;

And That the CAO and Treasurer meet with both Agencies in 2027 to re-assess the Program and provide Council with an update and recommendations regarding the feasibility of continuing the Program during the 2027 Budget Deliberations.

Carried

Mayor

Date January 15, 2021



Resolution Number 08 - 21

**Resolution of the Council of the
Corporation of the Township of North Frontenac**

Moved by:

Wayne Good

Seconded by:

John Inglis

Be It Resolved That Council receives for information the Chief Administrative Officer's Administrative Report entitled "Seniors Housing Project";

And That Council will consider a By-law later in the Meeting to adopt the Municipal Housing Facility By-law (Parent By-law);

And That Council will not receive a copy of the draft Request for Proposal (RFP) before it is released to ensure a fair competitive process and instructs the Treasurer to issue a Request for Proposal (Release date: January 2021 and the RFP submission deadline May 2021) to include:

- A minimum of five (5) self-contained rental apartment units;
- Of these units, a minimum of one (1) unit will be a two-bedroom;
- Of these units, a minimum of one (1) unit will be modified to a universal design standard to accommodate mobility needs;
- The five (5) units will be made available to residents who are 65 years of age or older only;
- Of the minimum five (5) units, all units shall be rented at or below Average Market Rents as defined in the Municipal Housing Facility By-law and two (2) units shall be rented at no more than Below Market Rent Unit levels;

And That Council instructs the Treasurer to include the following incentives in the Request for Proposal (RFP) being issued:

1. **Township Property** - Council approves offering the Cloyne (preferred) and Plevna sites;
2. **Capital Township Grant** - Council approves-in-principle to offer a Capital Township Grant of \$100,000;
3. **County Seniors Housing Grant** - County dollars – estimated at \$337,500;
4. **Proposed Tax relief** - Municipal/County/School Board Tax Relief
 - 100% property tax exemption in year 1
 - 50% property tax exemption in year 2
 - 25% property tax exemption in year 3
 - The owner pays full taxation in year 4

As a minimum to include in the RFP and may need to be revisited once the proposals are received.

5. **Proposed Permit Fee Relief** - permit fee relief applies only to the Building Permit Fees, Septic Permit Fees and Land-Use Planning Fees as set out in the Township's Fees and Charges By-law and the Township will not reimburse the proponent for outside Agencies fees.

And That Council authorizes the Treasurer to transfer the monies for all Township funded incentives and legal fees from the Contingency Reserve Fund;

And That Council instructs the Clerk to contact the Ministry of Natural Resources and Forestry regarding the Notice registered on title requiring the Cloyne property to be used for a public recreation site and to advise them Council is considering using the property for affordable housing; however depending on the proposal, the current recreation uses on the property may be able to be maintained and to see if they would be agreeable to removing the Notice for this use.

Carried

Mayor



YES✓	Member of Council	NO✓
	Councillor Fowler	
	Councillor Good	
	Councillor Hermer	
	Councillor Inglis	
	Deputy Mayor Martin	
	Councillor Perry	
	Mayor Higgins	

Date January 15, 2021



Resolution Number 08 - 21

**Resolution of the Council of the
Corporation of the Township of North Frontenac**

Moved by:

Wayne Good

Seconded by:

John Inglis

Be It Resolved That Council receives for information the Chief Administrative Officer's Administrative Report entitled "Seniors Housing Project";

And That Council will consider a By-law later in the Meeting to adopt the Municipal Housing Facility By-law (Parent By-law);

And That Council will not receive a copy of the draft Request for Proposal (RFP) before it is released to ensure a fair competitive process and instructs the Treasurer to issue a Request for Proposal (Release date: January 2021 and the RFP submission deadline May 2021) to include:

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As a minimum to include in the RFP and may need to be revisited once the proposals are received.

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And That Council authorizes the Treasurer to transfer the monies for all Township funded incentives and legal fees from the Contingency Reserve Fund;

And That Council instructs the Clerk to contact the Ministry of Natural Resources and Forestry regarding the Notice registered on title requiring the Cloyne property to be used for a public recreation site and to advise them Council is considering using the property for affordable housing; however depending on the proposal, the current recreation uses on the property may be able to be maintained and to see if they would be agreeable to removing the Notice for this use.

Carried

Mayor


YES✓	Member of Council	NO✓
	Councillor Fowler	
	Councillor Good	
	Councillor Hermer	
	Councillor Inglis	
	Deputy Mayor Martin	
	Councillor Perry	
	Mayor Higgins	



BUSINESS PLAN FOR SENIORS HOUSING TOWNSHIP OF NORTH FRONTENAC

JUNE 2019



EXECUTIVE SUMMARY

As communities grow and age, the need for suitable seniors housing options is becoming more and more prevalent. This is true of Frontenac County where seniors, as a share of the overall population, will continue to rise over the next 20 years. As a result, Frontenac County Council has designated seniors housing as a priority and allocated funds to explore the feasibility of developing affordable housing projects to meet these needs and to prepare business plans for such projects. This report for the Township of North Frontenac represents the third such business plan prepared under this initiative.

Using a multi-step process, the need and viability of such a project was investigated for the Seniors Housing Working Group that was established by the Township. Based on demonstrated needs, community consultation and business case analysis, the concept for a small scale seniors housing project situated in North Frontenac has been developed. This concept has been tested and found to be viable, subject to the assumptions outlined in this report. Based on the proposed concept, the senior's housing project would:

- Be modest in scale – 5 self-contained apartment units (4 @ one bedroom, 1 @ two bedroom) plus amenity space for a total buildable area of 4,000 sf (GFA)
- Include basic amenity space - laundry facilities (1 pair) and a small indoor common area for gathering/socialization would be provided
- Accommodate seniors mobility needs – providing a safe, indoor access to apartment units while incorporating visitability and accessibility throughout units and common spaces
- Support basic affordability – all units would be rental and offered at or below average market rent level. Rents for 2 of the one bedroom units could be lowered to 80% of average market rent if IAH-type funding is obtained from the City of Kingston.
- Be procured as new construction – this approach would enable a single storey slab-on-grade building, with a cost-effective double-loaded main corridor, wood frame structure and standard sloped roof
- Incorporate practical sustainability features that promote energy efficiency
- Be situated on land currently owned by the Township, thereby saving land costs
- Be procured through a formal design/tender process (stipulated price contract)
- Be financed using a conventional mortgage that is CMHC-insured with an equity contribution of \$330,000 from the County under the IAH-funded option OR have a conventional mortgage with an equity contribution of \$330,000 from the County and additional equity contribution in the order of \$475,000 under the non-funded option
- Be owned by the Township and operated on a non-profit basis
- Be managed by North Frontenac Housing Corporation, should they be agreeable to take on that role.

As a result of the financial analysis, it has been determined that the project would be viable based on preliminary cost estimates, anticipated revenues and assumed contributions. While land use approvals are required to permit the intended use, there do not appear to be any significant barriers to securing these approvals. Prior to confirming the project site, due diligence testing would be required to ensure that no environmental concerns or project servicing impediments exist. Based on an initial scan of current conditions and background information, no impediments are anticipated. Viable project governance options exist, the most plausible of which would see the project owned by the Township and managed by an experienced local non-profit housing corporation.

The Consulting team wishes to thank the Senior Housing Working Group for their insights and guidance in the development of this Business Plan. The team also wishes to express their thanks to County and Township staff who assisted in facilitating various elements of the study and provided valuable feedback.

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INTRODUCTION

With an aging and diversifying population, seniors housing in Frontenac County has become a growing priority. Recent studies have examined this housing need within the context of the broader housing market and have identified potential options for meeting senior's needs throughout the County. As a result of this work, Frontenac County Council has designated seniors housing as a priority and allocated funds to explore the feasibility of developing affordable housing projects to meet these needs and to prepare business plans for such projects. This report for the Township of North Frontenac represents the third such business plan prepared under this initiative, following completion of business plans for the Township of Frontenac Islands and Township of South Frontenac.

Bringing a housing project from initial concept to on-the-ground reality involves a number of sequential stages. Each stage involves a progressively more detailed assessment of the project to ensure that it continues to meet the community's needs, is financially feasible and is operationally sustainable. Key resource commitments and go-forward decisions are required for sponsor groups to proceed from one stage to the next. The scope of work for this study addresses the beginning of this process; preparing a business plan to determine 'proof of concept' for the project. Specifically, the purpose of this study was to:

1. Produce a business plan for the development of Seniors Housing in the Township of North Frontenac in accordance with the RFP specifications
2. Engage the Township Council and stakeholder groups in a discussion regarding local needs
3. Develop a business model that would result in a sustainable senior's housing project serving the needs of the community.

Project background

In 2010-11, the City of Kingston and County of Frontenac undertook development of a Municipal Housing Strategy (MHS). The strategy involved a comprehensive, multi-phase process which examined housing needs, supply trends and priority gaps within the regional housing market. A detailed review of current policies, programs and local initiatives was also undertaken to determine the degree to which identified gaps were being addressed. As a result of this analysis, a formal stepwise strategy was developed as part of the MHS to address priority issues and housing gaps over the short, mid and long range.

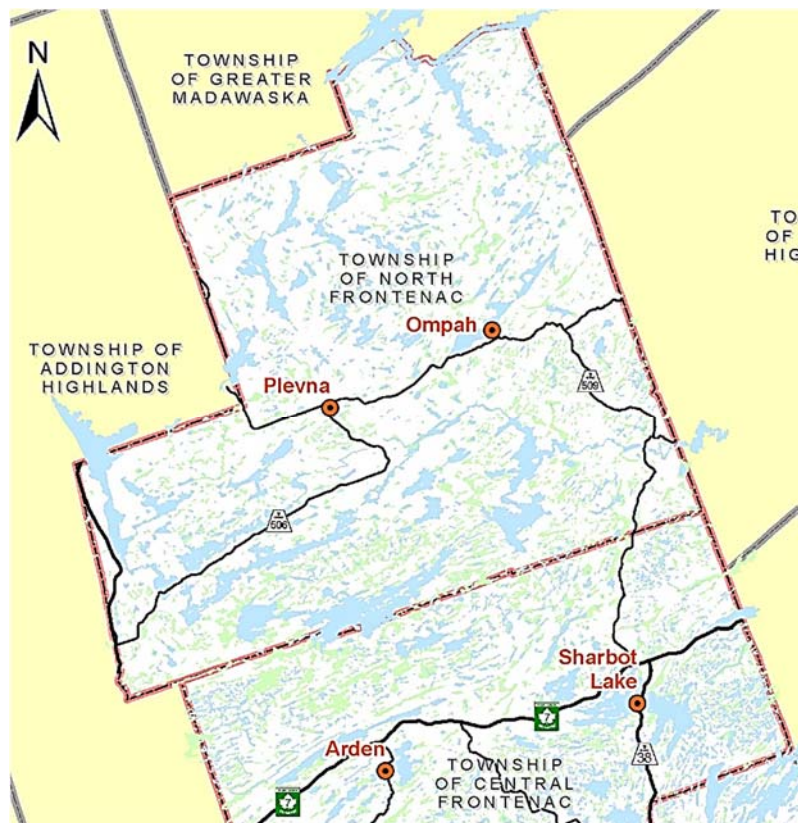
One of the emerging priorities identified for Frontenac County through the MHS was the growing senior's population and concerns about the ability to adequately meet their housing needs looking forward. As a result, the County undertook a more detailed review of the local seniors housing situation to better understand the range of needs and potential solutions that could be used to address these needs. As part of the "*Seniors Community Housing Pilot Project Study*" completed for the County in 2012, a review of priority issues and existing conditions was completed. An assessment of housing options was also undertaken to evaluate potential seniors housing models and opportunity nodes throughout the County. Implementation considerations, including generic model costing and a policy framework analysis were also documented to help frame options for moving forward with a potential pilot project.

As a result of the study, it was recommended that a task force be created to pursue the establishment of a pilot senior's housing project. The County subsequently struck a Seniors Housing Task Force to establish a scope for pursuing a pilot project. The Frontenac Senior's Housing Task Force met in May of 2014 to review possible directions for the proposed project and determined that the most suitable course of action would be to evaluate potential project options and develop a business plan for the proposed project. In accordance with the senior's objectives of the County's Strategic Plan, Council allocated \$1.5M in financial resources that same year to pursue development of up to four small-scale pilot projects throughout Frontenac County, one in each constituent Township.

Context for business plan

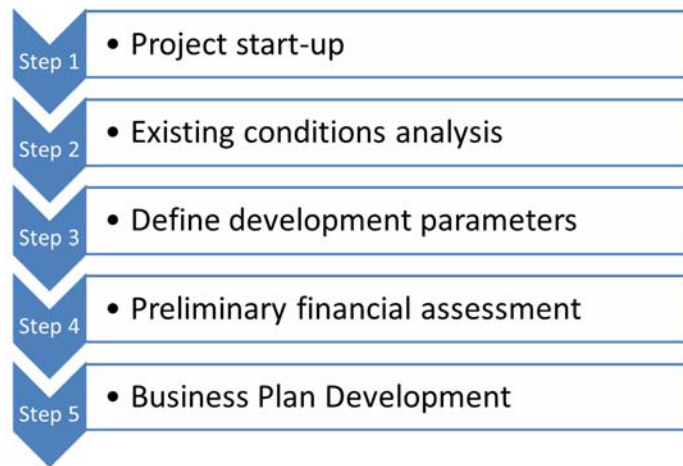
In the *"Seniors Community Housing Pilot Project Study"*, a range of potential housing options were examined and evaluated against opportunity nodes throughout the County. Given the broad geography, settlement patterns and local needs, a range of potential pilot project options were identified. One of the study conclusions was that a senior's rental housing project could be an option for development in the Cloyne or Plevna communities within the Township of North Frontenac, either through new construction or redevelopment. Following the completion of the first business plan for Marysville within the Township of Frontenac Islands and a second plan for Sydenham in South Frontenac, the decision was made to proceed with preparation of the business plan for North Frontenac, utilizing a similar methodology. A Seniors Housing Working Group for North Frontenac Township was established to help guide the process for preparing this plan.

Figure 1 - Situating North Frontenac within Frontenac County



This report

This report is the culmination of a multi-staged study process. The steps that have led to the development of this business plan report include:



Based on project assumptions, the report explores the feasibility of a small-scale senior's pilot project in either the Plevna or Cloyne communities. As a result, this business plan includes:

- An overview of need
- A defined project concept and discussion of options considered
- An overview of the development considerations that would influence the project
- A review of financial feasibility
- Options for project governance and management
- Considerations for moving forward with the project

The business plan provides an assessment of the suitability for moving the concept forward and provides recommendations in that regard.

PROJECT NEED

This section of the report provides a summary of the housing needs in the Township of North Frontenac based on gathered statistical and survey data. A formal Needs Assessment report was completed as part of the study in April 2018. The assessment report details demographic trends and housing characteristics as well as evaluating the need for affordable seniors housing. Summary results from that report are presented herein. These findings are augmented with the results of a community survey which was undertaken as part of this study, aimed at determining local perspectives on a potential senior's project. Collectively, this information provides a profile of current and future housing needs for seniors in North Frontenac, providing the analytical foundation for development of the business case.

Local housing needs and market indicators

To help document and analyze local housing needs in North Frontenac, a formal Needs Assessment report was developed as part of the study process. The standalone report characterized housing needs, supply trends and affordability conditions in an effort to identify gaps in the local market, especially with regards to seniors. Summary findings from the Needs Assessment report are as follows:

Population

- The population of North Frontenac has increased modestly from 2001 to 2016 (5.4%)
- From 2016 to 2036, it is projected there will be a 23.8% increase in the population. Growth will be most notable in population groups such as the youth, working age adults, and seniors.
- The number of seniors is expected to increase in real terms but will continue to account for about 40% of the overall population from 2016 to 2036.

Households

- The number of households in the Township increased from 2001 to 2016 (13.5%).
- By 2036, there will be a projected total number of 1,145 households in North Frontenac. This represents a 23.8% increase from 2016.
- The number of two-person households is increasing and one-person households are remaining static but three-person and five or more person households are decreasing.
- Couples without children and non-family one-person households make up the majority of households in North Frontenac.
- Nearly 30% of seniors are not a part of a census family and most of these seniors are living alone

Housing stock

- Single-detached houses are the most common type of housing, making up almost all dwellings
- In real terms, dwellings in need of major repairs have increased slightly from 2001 to 2016 and are more prevalent than the County average
- This may be due to housing stock age since over half of all dwellings were built before 1981
- The 2,600+ units of seasonal dwellings today will increase by 7% from 2016 to 2036.

- About 647 hectares of vacant designated land (25.2% of the County total) are available for possible future residential development within settlement areas of North Frontenac.

Affordability

- Household and individual incomes in North Frontenac are gradually increasing. The average household income in 2015 was \$64,737 (i.e. a 41.0% increase since 2005) but is still the lowest in Frontenac County
- Based on Census figures, average house values locally have continued to increase over the years. From 2000 to 2015, the average value increased by 64.5%, reaching \$290,633.
- Over the same period, the County saw increases of 48.4% but the average house value was considerably higher, reaching \$356,013.
- Average CMHC market rents have increased in areas surrounding the Kingston CMA (Zone 4) by 30.9% from 2010 to 2017 (average annual increase of 4.4%).
- For the same Zone 4 area, the overall vacancy rate in 2017 was 1.0% for all dwellings compared to 5.2% in 2016.
- Almost one quarter of all owners and half of all renter households have an affordability problem in North Frontenac (i.e. spending 30% or more of income on shelter costs)

Synopsis of analysis

As a result of the above analysis, demographic and housing trends for North Frontenac show that:

- Seniors households and their housing needs will continue to be a priority
- For some seniors, isolation will be a factor
- There are very limited options in terms of housing, especially for rental
- Seasonal dwellings are a major part of the housing landscape
- Shelter costs have continued to rise faster than average household incomes over the last 15 years
- Affordability is an issue for many senior households

This analysis demonstrates that there is a modest demand for affordable, purpose-built rental housing and that, as the seniors population continues to grow in the Township, a greater range of options will be required to meet their needs and enable them to 'age in place' in the community.

Community-based Indicators

To augment this analysis and gather local community perspectives on housing needs, a survey containing some 16 questions was administered to local residents in early 2018. Surveys were accepted in both on-line and hardcopy formats, and all responses were integrated into Survey Monkey to facilitate tabulation of results. A total of 69 completed surveys were received and while most respondents answered all questions, some did not reply to certain questions. A brief summary of the survey results are provided below and are supplemented by a series of frequency tables for each survey question which can be found in Appendix B to this report.

Results from the survey indicate that:

- The majority of the respondents are permanent residents in North Frontenac (91.3%)
- 36.2% of respondents live in Ompah, 27.5% live outside of a hamlet and 21.7% live in Cloyne
- The majority of the respondents are between the ages of 61 and 75 (66.2%)
- 89.7% of the respondents own while 5.9% rent
- The typical number of people living in respondents' homes is 2 per unit (80.3%)
- 95.5% of the respondents have their own personal transportation
- 31.8% of respondents have a total gross household income of \$60,001 and over and 30.2% of respondents have a total gross household income of \$20,000 to \$40,000. 14.3% of respondents have a total gross household income of under \$20,000.
- A majority of the respondents (95.5%) plan to stay in North Frontenac
- Given the option, most residents would choose to stay in their home as-is (31.7%) or stay in their existing home but access available services (i.e. housekeeping and maintenance services for a fee (44.4%); only 26.9% would move to a low-maintenance housing unit in North Frontenac
- The majority of respondents (66% or more) do not find housekeeping, transportation, and paying for housing difficult. However, the majority of respondents do find home maintenance either moderately or very difficult (almost 60%).
- While 40% of respondents do not receive outside assistance with any services, those that do primarily get assistance for snow plowing (55.6%) or yard and exterior maintenance (28.5%).
- In the near future, only 20% of respondents felt they would NOT need help with services. The services that respondents felt they would most need help with included snow plowing (68.8%), yard and exterior house maintenance (64.1%), and cleaning (31.3%).
- 72.4% of respondents would use a central agency to get access to the services mentioned above
- If the option was available, 72.2% of respondents would be interested in renting a low-maintenance housing unit versus owning it
- 36% respondents would pay between \$500 and \$750 per month for senior's housing while 32% would pay between \$1,000 and \$1,250 per month. One respondent noted they would pay up to \$1,500 depending on inclusions.
- Cloyne (30.9%) and Ompah (27.2%) are the top two choices among respondents as the preferred location for housing units

Synopsis of survey results

Survey results suggest that:

- Seniors would prefer to stay in North Frontenac but having the necessary services & amenities to meet their needs is a factor in whether they can stay
- They want to stay in their homes and feel they can manage on their own or with modest services
- Help with exterior home maintenance is highly desirable and there is broad support for using a central agency to gain access to such services
- Rental housing is a desirable option but it does not have to be at just affordable rates – market rates are ok too

Township Working Group feedback

In early 2019, the consulting team met with the Township's Working Group and reviewed the findings arising from the research and consultations to date. The Group expressed its support for the concept that was emerging and confirmed the following feedback for development of the business plan:

- The project should be located in either Plevna or Cloyne on Township owned property
- A project size of 5 independent rental apartment units is preferred
- Partnering with the existing community non-profit housing corporation (North Frontenac Non-Profit Housing Corporation) was of interest and would enhance the success of the project
- The Township was interested in owning the project but felt that management of the project was better suited to an experienced operator. Given their experience in managing affordable housing, North Frontenac Non-Profit Housing Corporation should be approached to determine its potential interest in managing the facility
- The preferred unit mix is 60% at average market rent and 40% at affordable rent (i.e. lower end of market, equivalent to 80% of the average market rent)

The following sections of this report provide a suggested concept plan for the project, based on the above feedback.

PROJECT CONCEPT

This section of the business plan defines the project concept, as informed by local needs, stakeholder feedback and Working Group feedback. These parameters establish the form, scale, unit mix and affordability for the prospective project. Associated amenities are also defined, recognizing the small-scale nature of the project. As a result of these attributes, configuration options for securing them are reviewed and a preferred project concept is identified. This concept is then analyzed in terms of development potential and financial feasibility in subsequent sections.

Form and scale

In terms of project form, it is clear that seniors tend to favour low rise forms which are grade-related. This building configuration is highly supportive of accessibility and eliminates the need for stairs, lifts or elevators. As such, a single storey slab-on-grade configuration offers the accessibility and straight-forward layout suitable for a project of this scale and client type. Likewise, using conventional wood frame construction and a standard slope roof for this building form would be highly economical. At the same time, it is recognized that a single storey building requires more land than a multi-storey building and that, when combined with the land area required for a septic system and separation distance required for a water well, creates a need for a suitably-sized property. Therefore, sites with a minimum size of two acres are considered most appropriate for project development.

In terms of the units themselves, demand has shown a strong affinity for self-contained apartments that are geared to seniors capable of independent living. This means that each residential unit would have its own kitchen and washroom facilities, unlike congregate living arrangements where these facilities can be shared. From that perspective, the project would be much like a typical low rise rental building. Aligning these residential units around a double-loaded corridor would also provide a high degree of efficiency. Given the current level of demand and the stated preference for smaller scale, the proposed project is being recommended at 5 units.

Unit mix and affordability

Traditionally, senior's housing projects tend to have smaller unit sizes – either one or two bedroom units - as compared with family units, reflecting their inherently smaller household size. Furthermore, affordable seniors units tend to be predominantly one bedroom in size rather than two bedroom, a direct reflection of the rental cost of the unit. Where affordability is less of a concern and household demand warrants, senior's projects would typically have a higher share of two bedroom units. Given the affordability profile envisioned for the project, a unit mix of 80% one bedroom and 20% two bedroom is proposed. For a project of 5 units, this would mean 4 one bedroom units and 1 two bedroom units.

As indicated through community feedback, there is a high degree of interest in rental tenure for the project. This is in contrast to seniors housing models that allow for ownership or some form of equity stake (i.e. condominium, life lease, etc.). Apart from the affordability that rental accommodation provides, there was a clear sense from consultations that prospective residents who were homeowners and would be

downsizing would not be interested in locking up equity in such a project. Instead they would choose to reserve the use of their equity for other retirement purposes.

The consultation and income analysis showed that a mix of market rent and affordable rent units was most desirable for the project. Funding may be available through the successor to the Investment in Affordable Housing Program which is administered by the City of Kingston, the Service Manager for the area. As such, two scenarios have been developed – one with units funded under an IAH-type program and the other not. For both scenarios, it was assumed that 2 one bedroom units would be rented at 80% of Average Market Rent (AMR) for the area and the balance of units rented at full average market rent. The lone two bedroom unit would be assumed to be rented at market rent under both scenarios. To encourage energy conservation and to buffer against utility cost impacts, tenants would be responsible for their own heat and hydro costs. To better facilitate this, individual unit heating/cooling systems have been assumed rather than large shared systems.

Given the affordability parameters for the project and the senior client group, it is assumed that a modest unit size would be suitable. This reflects the fact that unit size has a direct influence on overall unit cost and as such, has an impact on project financial viability. However, because many units are anticipated to rent at near market rates, they would need to provide comparable value in the market place in order to attract/retain tenants. Small-scale projects like this do not benefit from scale economies and as such, can be more expensive to build on a per unit basis. It is important therefore to rationalize built floor area with regard for maximum chargeable rent in order to support viability. With this in mind, one bedroom units are assumed at a size of 600 square feet (gross floor area, GFA) while the two bedroom unit has been assumed at 750 square feet GFA.

Amenities

In terms of in-unit amenities, it is anticipated that standard appliances would be provided (fridge + stove) along with modest storage space. It is also assumed that visitability would be provided interior to the units by maintaining open radius layouts in both the kitchen and bathroom of each suite. Building in options for grab bars in unit bathrooms is also assumed. In terms of building visitability, wider common corridors and open radius layouts in laundry and common areas would be employed. In addition to constructing the building at grade, common entry doors would provide for full accessibility. One unit would also be semi-modified to accommodate tenants with mobility impairment, incorporating additional unit features like a roll-in shower and more accessible kitchen. This would provide the ability to meet changing needs as tenant's age in place. Surface parking would also be provided, recognizing that while most tenants would prefer walkability, there would be a need to provide for basic parking as well as visitor parking in accordance with zoning requirements. It is assumed that 8 parking spaces would be provided as part of the project concept.

Community consultations identified a wide range of potential amenities/features that could be included within the common area of the project. At the same time, there was a recognition that only modest opportunities for amenity space would exist for a project of this small scale. As above, scale economies for smaller projects make it challenging to add additional GFA due to the limited offsetting income potential

of this space. The more amenity space that is added, the more expensive the project is to build and operate on a per unit basis.

While there are cost pressures inherent in adding amenity space, creating opportunities for tenants to socialize in a sheltered space was highly valued by stakeholders. To strike a balance in this regard, it has been assumed that a double loaded common corridor would be used to connect all units internally, providing a common access point to the project as well as sheltered access to each unit. Modest coin operated laundry facilities would also be provided (1 pair washer/dryer) for resident convenience. Adjacent or in combination with this space, it is also assumed that a common room would be provided for the benefit of all tenants. This informal space would provide year round indoor shelter and would account for not more than 500 square feet GFA. The size and configuration of this space would be subject to adjustment based on overall building layout. In addition to small individual patio areas for each unit, a common outdoor amenity area would also be provided adjacent to the common interior space.

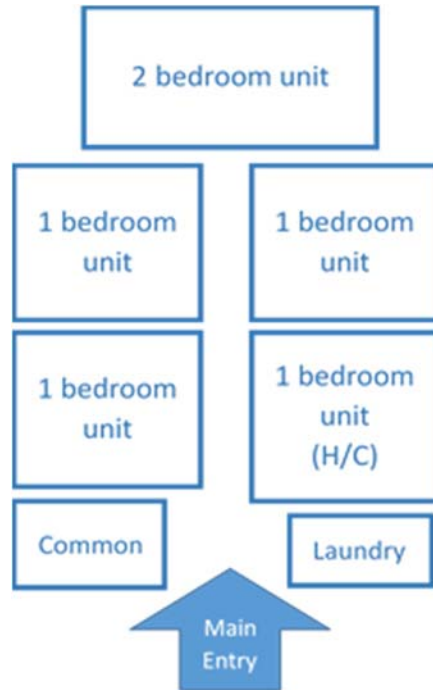
Preferred project concept

Based on evaluated needs, consultation feedback and with regard for project development experience, a preferred project concept has been developed. The proposed project concept assumes:

- 5 self-contained rental apartment units configured around a common, double loaded corridor
- Of these units, 4 would be one bedroom units (600 s.f.) and 1 would be a two bedroom unit (750 sq. ft.) – one unit would be semi-modified for mobility needs
- Units would be geared to seniors (65+) who are able to live independently.
- Market rents charged for all units would be equivalent to average market rents in the area and would not include utilities (i.e. heat/hydro paid by tenants)
- Where IAH-type funding is secured for the project, the rents charged for funded units would have to be no more than 80% of the average market rents
- Laundry facilities and a modest common room would be provided for tenant socialization
- Total initial building GFA is estimated to be in the order of 4,000 s.f. (GFA)
- Building construction is anticipated to be in a single storey, slab-on-grade form with conventional wood framing and a standard sloped roof
- Water and septic services for the project would be provided via private on-site systems
- To facilitate aging in place, the building and the units would be designed to a visitable standard
- Surface parking for 8 spaces would be included in the project

While the ultimate design of the project would provide for component space and the overall configuration of the building, a conceptual layout is provided for illustrative purposes in Figure 2.

Figure 2 - Conceptual building layout



Having established the preferred project concept, subsequent sections of this report will assess associated development considerations and evaluate the financial feasibility of the project.

DEVELOPMENT CONSIDERATIONS

A number of development considerations were examined as part of the project concept evaluation process. These included a review of possible development opportunities, options for procuring the project, as well as technical/servicing considerations. This section of the report also examines required land use approvals and sustainability features associated with the preferred project.

Potential development opportunities

Based on existing needs, community amenities and consultation feedback, a project location within a hamlet setting and close to amenities services was considered most desirable. The utilization of Township property was also seen as beneficial for financial reasons and as a result, staff identified 6 surplus properties for consideration. Three properties in Plevna (see Figure 3) and 3 properties in Cloyne (see Figure 4) were examined as part of this review. In addition to preliminary technical reviews, site visits were also conducted to assess potential for each prospective development opportunity. As a preliminary level assessment, the results of these reviews are discussed in general terms and results noted below.

The parcels identified by the Township were assessed against their potential to address site requirements for the project while still maintaining reasonable proximity to established settlement areas and services. Redevelopment and acquisition/rehabilitation options were deemed to be less attractive due to the limited opportunities and economic/operational factors and as such, were not evaluated as part of this business case process. New construction on appropriate vacant lands within established settlement areas is considered the most appropriate option because it:

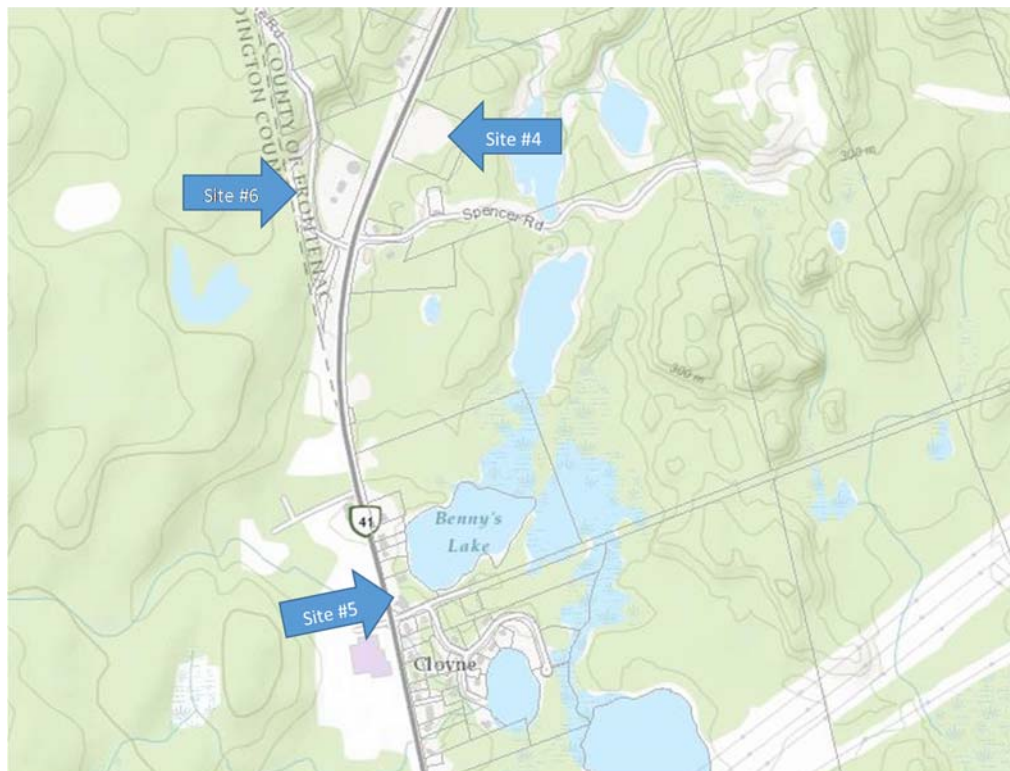
- does not require extensive land assembly with multiple parties in order to effect
- provides more financial and design flexibility to configure spaces in accordance with the preferred building concept
- avoids any potential issues associated with adaptive re-use or demolition of existing structures (i.e., code issues, designated substances, servicing and HVAC constraints, etc.)
- better suits the visitability/accessibility requirements of the project in a single storey configuration due to larger available site areas

The assumed floor plate of 4,000 square feet and lot requirements for septic system services and water well separation distances mean that the minimum lot size for the preferred project concept in a single storey configuration would be in the order of 2+ acres, depending on soils conditions and surrounding uses. There are limited options in terms of vacant parcels within settlement area boundaries – whether municipal or otherwise - that could meet these requirements. While options do exist beyond these boundaries, they would situate a prospective project further from the community services, amenities and conveniences that may be available.

Figure 3 - Potential sites in Plevna



Figure 4 - Potential sites in Cloyne



Site review

All 6 vacant properties were examined for suitability under a new construction scenario. It should be noted that all sites would require development approvals in order to accommodate the permitted use and from that perspective, were deemed equally impacted.

The initial three sites reviewed are located in Plevna and are in close proximity to one another. A number of services are available in the settlement area, including:

- Restaurant/market
- Bakery
- Gas station
- Community centre
- Library
- Hardware store
- LCBO

While further afoot, similar services are available in Cloyne (35km) and a broader range of services and amenities are available in Sharbot Lake (45km). The three municipal sites in Plevna that were reviewed are discussed below.

Site #1 – Cemetery lands

The site has the following characteristics:

- 2.82 acres in size
- 395' frontage on Buckshot Lake Rd.
- Topography is relatively flat and mainly open (some tree cover)
- Current use is an active cemetery site with some residual land
- Official Plan designation is Hamlet Area and Zoning is H (Hamlet)

While the overall site is suitably sized, there is limited residual land available for development or expansion. In addition, situating a well and septic system would be an issue given the current land use. The site is proximal to the settlement area but only a few available amenities are nearby. In terms of land use, the site would require rezoning to RM (multiple residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

Site #2 – Former MNR building

The site has the following characteristics:

- 3.04 acres in size
- 350' frontage on Buckshot Lake Rd.
- Topography is relatively flat and mostly open (rear tree cover)
- Current site of public library and former MNR building with residual land at rear of site
- Official Plan designation is Hamlet Area and Zoning is H (Hamlet)

The site is sizable and suitable for use but has existing, active uses on site which could influence residual space available for a housing use. Depending on the nature of agreements governing these current uses, there may be implications for mortgage registration for a new project due to the multiple uses/legal fabric (i.e. severance obligation). There may be opportunities to tie into existing water/septic services on-site but these would need to be confirmed technically. Given the site layout and configuration, it should be possible to situate a new well and septic system if required. As with site #1, the site is proximal to the settlement area but only a few available amenities are nearby. In terms of land use, the site would require rezoning to RM (multiple

residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

Site #3 – Clar Mill Community Hall

The site has the following characteristics:

- 3.04 acres in size
- 350' frontage on Buckshot Lake Rd.
- Topography is relatively flat and mostly open (rear tree cover)
- Current use on site is a community hall and an accessory building but residual land exists at the front and rear of the site
- A small portion of the site at the rear falls within the 500m influence area of the adjacent waste facility and is non-developable
- Official Plan designation is Hamlet Area and Zoning is H (Hamlet)

While the site is sizable, the existing/active uses on the site and the proximity of the waste facility influence zone will affect the usable area of the site. Like site #2, there could be impacts on mortgage registration due to the multiple uses/legal fabric of the site (i.e. severance obligation). It may be possible to tie into existing well and septic systems on site but this would need to be confirmed technically. Depending on project siting, it should be possible to situate a new well and septic system if deemed required. As with the other project sites in Plevna, the settlement area is in proximity but there are only a few available amenities nearby. From a land use perspective, the site would require rezoning to RM (multiple residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

The remaining three sites reviewed are located in Cloyne. A number of services are available in the immediate area, including:

- | | |
|------------------------------------|----------------------|
| • Restaurant/convenience store (3) | • Inn |
| • General store/butcher (3) | • Post office |
| • Gas station (2) | • Church |
| • Community centre | • Automotive service |
| • Library + museum | |

While further afoot, basic services are also available in Bishops Corners (4km) and a broader range of services and amenities are available in Northbrook (10km). The three municipal sites in Cloyne that were reviewed are discussed below.

Site #4 – Cloyne ball diamond

The site has the following characteristics:

- 5.74 acres in size
- 500' frontage on Highway #41
- Topography is relatively flat and mostly open (rear tree cover)
- Current uses on site include a ball diamond, tennis courts & parking area with residual land at the rear of the property
- Official Plan designation is Hamlet Area but with an MRA overlay (Mineral Resource Area)

- Zoning is H (Hamlet) + MX (mineral extraction) on a small part of the southeast corner of the site

There are a number of existing uses on the site, not all of which are active but these and the mineral extraction zoning could influence the usable area of the site. Partitioning the site for mortgage registration purposes may also be required (i.e. severance obligation). Given the size of the site, it should be possible to situate a new well and septic system on the property but this would need to be confirmed technically. The site is a short drive to a nearby settlement area that has some amenities. In terms of land use, the site would require rezoning to RM (multiple residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

Site #5 – Barrie community centre

The site has the following characteristics:

- 2.03 acres in size
- 376' frontage on Highway #41 within a settlement area
- Topography is relatively flat and open, rear shoreline
- Current site uses include a community hall and museum with some residual land at the rear of the site
- Official Plan designation is Hamlet Area but with an MRA overlay (Mineral Resource Area)
- Zoning is H (Hamlet)

There are active existing uses on site and an adjacent shoreline that would influence siting of a potential housing project. Mortgage registration could also be impacted due to the multiple uses/legal fabric (i.e. severance obligation). While there may be an opportunity to tie into existing well and septic systems, this would need to be confirmed technically. Situating a new well and septic system could be challenging due to the layout of current uses and this too would need to be confirmed technically. In comparison to other locations, the site is more immediately accessible to amenities and services. From a land use perspective, the site would require rezoning to RM (multiple residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

Site #6 – Scootamatta Lake Road

The site has the following characteristics:

- 2.19 acres in size, no known legal address and proximal to site #4
- Scootamatta Lake Road bisects the site adjacent to a public works yard
- Topography is relatively flat and tree covered
- Official Plan designation is Hamlet Area but with an MRA overlay (Mineral Resource Area)
- Zoning is H (Hamlet)

The configuration of the site, road location and adjacent uses severely limit the usable area of the site. The legal status of the parcel is also in question as is the ability to situate the housing project. Accommodating a new well and septic system would be equally challenging at this location and would need to be confirmed technically. The site is a short drive to a nearby settlement area that has some amenities. In terms of land use, the site would require rezoning to

RM (multiple residential) to permit the intended use and would likely need added relief to address zoning provisions (i.e. setbacks, etc.).

Two additional non-owned sites located outside of established settlement areas were also examined but were quickly dismissed due to their location, lack of access to services and requirements to purchase.

Preferred properties

Of the six sites reviewed in detail, two of the sites were deemed preferred by the Working Group, due primarily to their ability to accommodate the project concept. These are Site #2 in Plevna (former MNR site, as shown in Figure 5) and Site #4 in Cloyne (Cloyne ball field, as shown in Figure 6).

Figure 5 - Former MNR site in Plevna



Site #2 in Plevna has a reasonable residual area with which to work but configuration of the site would need to ensure that all uses (existing and new) could be accommodated in a workable format. Moving the former MNR building would allow the seniors project to be located in a more visible location nearer the property frontage. If parceling is required to enable mortgage registration, a location closer to road frontage would also be more appropriate. Residual lands to the rear of the site could accommodate necessary well water and septic systems but technical testing would need to confirm a suitable potable water supply.

In the case of Site #4 in Cloyne, it is larger and has more residual area to work with but continued functioning of existing recreational uses on site could influence this. Reconfiguration of the site could help to arrange uses in a more complementary way. This would also help to accommodate new well water and septic systems on site, provided a potable water supply can be confirmed through technical testing. Like Site #2, parceling may be required to enable mortgage registration and this would need to be factored into site re-configuration if that was pursued.

Figure 6 - Ball field site in Cloyne



No environmental issues are known to exist in the vicinity of the two properties in question but to ensure this, an Environmental Site Assessment would need to be undertaken as part of the due diligence process. As a vacant property, soils investigations would also be required as part of the due diligence process to confirm septic servicing parameters prior to acquisition. These costs have been included within the financial modelling.

The two properties identified have a number of strategic advantages when weighed against the other vacant property options. The subject sites are:

- suitable in size and have sufficient frontage to support the proposed concept
- have the ability to accommodate new well and septic systems if needed, but this would need to be confirmed via technical investigation
- proximal to settlement areas and the amenities they offer, although the Cloyne site may be better served by a wider range of amenities
- owned by the municipality and as such, can be re-zoned to permit seniors housing in a more direct manner than an external organization

Preferred option and procurement

With regard to development options available and given the defined project concept, there is a clear preference for developing the proposed project under a new construction scenario. Based on the range of potential local sites reviewed, there are two suitable development options that could be pursued for a senior's housing project, one in Plevna and the other in Cloyne. Both sites present reasonable opportunities for development but both also have existing on-site uses that would need to be resolved. Both sites also would be subject to appropriate due diligence investigations to confirm suitability in terms of water and

septic servicing. While each site is situated on the periphery of an established settlement area, there is reasonable access to basic amenities. Both sites appear to be able to accommodate the building form/size currently envisioned but any potential future expansion would need to accommodate incremental servicing and land use requirements. While the preferred sites are comparable in many ways, the Cloyne site is larger and has access to a broader range of services, making it slightly more workable from a development perspective.

Typically under a new construction scenario of this type, procurement of the project would be pursued through a formal tender and fixed price construction contract. To help guide the development process, a proponent would also engage an experienced development consultant. The role of the consultant would be to guide the proponent through the development process, from initial concept and feasibility testing through to construction and move-in. As part of this process, the proponent would also engage an architect to undertake project design. Once design drawings and construction documents were developed and approved, the project would be tendered for pricing, either by invitation or by public tender call. This would encourage competitive pricing for the project among qualified local contractors. This is a standard procurement approach and one that is commonly used where public funds are involved.

Financial modelling assumptions have assumed a typical design and tender process with conventional construction techniques. As such, pro forma figures include development consultant, architect and contractor estimates. Only 5 units are anticipated under this initial concept but it would be prudent to design allowing for the potential expansion of the project in the future. In that regard, initial project siting should have regard for the requirements of any possible future expansion. The same holds true for the design and siting of the septic system. A wide range of septic technology exists and it would be advisable to design-in the potential for future expandability for this system to help make most efficient use of the site area.

Servicing & technical considerations

As noted, there are technical and service considerations associated with project development, many of which must be considered as part of the due diligence process prior to property acquisition and configuration. In the case of the proposed project, the most basic of these is the requirement for an Environmental Site Assessment (ESA). A phase 1 ESA would be undertaken as a screen to determine if there are any potential environmental issues associated with the property. This is primarily due to legislation around environmental liability which places obligations on property owners in regards to found contaminants. While no known environmental conditions exist for the property options identified through this study, if any were discovered through the phase 1 process, a determination would need to be made as to whether to proceed with the lands in question. The current financial pro forma has allowed for a phase 1 ESA but has not included an allowance for any environmental remediation.

A second consideration is soil conditions, particularly as they relate to septic system requirements. It is assumed that a class 4 septic system would be required for the project in order to meet legislated requirements. Given the vacant rural location of the proposed project, it is assumed that this system would be comprised of a distribution tank and filter bed. The size and design of such systems are based on anticipated flow calculations as well as the type and quality of the filter medium used. For that reason, the

condition of the soils on site are a key factor in determining septic system requirements. Pro forma assumptions have allowed for soils testing that will assist in determining septic system requirements. These same studies could also be used in determining structural bearing requirements for footings and site works. Given the preference for a single storey slab-on-grade form with wood frame construction, these requirements are anticipated to be quite minor.

It should be noted that emerging technologies are continuing to expand the range of available options to address septic requirements. In many instances, these options serve to enhance efficiency by reducing the site area necessary for treatment/filter medium, thereby promoting more efficient use of land. While pro forma assumptions have allowed for a basic tank and distribution system, the result of soils analysis may identify other potential options for consideration. This would include consideration of options that could be expanded in the future to accommodate additional units. Given the siting restrictions for septic systems, it will be important to consider design options early in the development process to help inform site configuration and layout. A sizable allowance has been provided in the pro forma to account for septic design and installation. In the case of the Plevna site, it may be possible to tap into an existing septic system on site but technical testing would be required to confirm if this was a viable option.

A third consideration for the project is potable water. In both instances, there may be an existing well on site that could be utilized but this would need to be confirmed via technical testing. Given the nature of well water regulations, it may be prudent to consider drilling a new well specifically for the housing project and in that regard, an allowance has been provided in the pro forma for this expense. Where there is consideration for a possible future expansion to the project, associated water requirements should be factored into well siting.

Hydro servicing would also need to be confirmed as part of the pre-acquisition checklist. Through the site visit process, a visual check indicated proximity to hydro service for each of the preferred sites. However, capacity and access points for service would need to be confirmed once siting and building location are confirmed. A modest connection fee has been assumed in the pro forma construction figures. Natural gas is not currently available in Plevna or Cloyne and as such, residential heating is commonly provided through electric, oil or propane sources. Renewable energy sources are also possible (e.g. solar, wind) but would have to be evaluated on a cost/benefit basis given the small scale of the project.

Land use approvals

Land use approvals can play a significant role in project development, depending on prevailing rules and regulations. A review of local land use documents confirmed that a number of land use approvals may be required to facilitate the proposed project at the preferred sites. These include:

Severance – The preferred sites each have residual vacant land mixed with other existing uses. The continued operation of these other uses on-site may precipitate the need to partition the project sites. This obligation may arise in part due to the need to register security for mortgage lending for the new project which could in turn, require a severance for mortgage purposes. Given the nature of the project, it is not anticipated that issues would be encountered in securing this approval.

Official Plan Amendment (OPA) – The preferred sites are designated “Hamlet Area” under the Township’s Official Plan and there are a broad range of permissions under this designation. A small portion of the Cloyne site is also designated “Mineral Resource Area” which is intended to protect mineral resources. Depending on the application of these policies, an OPA may be required for the Cloyne site if resource issues are flagged but these are not anticipated. If a site-specific OPA is required, additional studies may need to be submitted in support of the OPA (e.g. mineral resources report) above and beyond the application and planning rationale.

Zoning Bylaw Amendment (ZBA) – Under the current zoning bylaw, the preferred sites both fall within the “Hamlet” zone which does not allow for the proposed multi-residential use. As such, a site-specific ZBA would be required to re-zone the lands to Multiple Residential (RM) to permit the development of a senior’s multi-unit housing facility. In addition, the Cloyne site is also designated in part as Mineral Extraction (MX) which would also need to be addressed through the ZBA process. Based on final building, well and septic system design, relief from other performance standards may be required and these could be handled as part of the same ZBA application. In order to expedite approvals and given the common issues involved, if an OPA is required it would be prudent to make application for both the OPA and ZBA concurrently.

Building Permit – As part of the construction process, a building permit would be required, ensuring that the project was designed in conformity with the Ontario Building Code. While this approval is typically straight forward, the confirmation of septic system design would be required before a permit could be issued. As such, the approach to servicing would have to be confirmed prior to application for a building permit.

As a proponent of the senior’s housing project and as the approval authority, it is not anticipated that the Township would have issues in supporting the land use approvals for the proposed project. That said, there are mandatory public consultation requirements associated with most of these approval processes and rights of public appeal on municipal decisions. Appeals of decisions could result in delays and add costs to overall project development. Provided that care was taken in addressing the concerns of neighbours through the planning process, it should be possible to secure necessary approvals.

Each of the approvals processes also involve the remittance of fees which would add development costs to the project. Given the small scale of the project and since the Township is a primary proponent of the project, it is assumed in pro forma modelling that application fees would be waived by the Township.

Sustainability

An important lens for project development is the County’s sustainability principles, as articulated in “*Directions for our Future: County of Frontenac Guide to Sustainability*”. A stated objective of this business plan is to ensure that the proposed project concept supports sustainability objectives. In comparing the proposed project concept with “*Directions for our Future*”, it’s clear that a number of objectives are being promoted across a range of sustainability areas. These include:

- *Land use planning/management* – the efficient and orderly development of vacant lands in a compact footprint, allowing for future expandability as warranted

- *Energy* – the inclusion of energy efficient building features and conservation measures that can be adapted over time (e.g. low voltage lighting, occupancy sensors in common areas, etc.)
- *Water* – having safe, effective waste management systems (i.e. septic) that protect groundwater and features that promote conservation (e.g. low flow faucets, toilets)
- *Solid waste management* – reduction in solid waste through the use of recycling and composting
- *Transportation* – encouraging walkability and pedestrian access to settlement areas where possible
- *Housing* – providing more diversity in housing choice, encouraging ‘aging in place’ for area residents and promoting quality, compact design

While pursuing sustainability practices is a prime consideration of the County, it is recognized that utilizing certain green and renewable energy technologies can be cost-prohibitive for projects of a smaller scale. In these instances, the payback period can be unrealistic for the upfront investment required. For that reason, practical, modest cost features are encouraged to promote energy efficiency. These can include things like:

- Solar orientation of the building
- Added insulation in roof and walls
- Efficient thermal windows and doors
- High efficiency HVAC systems

FINANCIAL FEASIBILITY

A key part of determining a project's viability involves assessing its financial feasibility. At the initial concept phase, this feasibility is based on preliminary assumptions, recognizing that a project's composition can change as the concept is refined. Throughout a project's development, this feasibility is tested repeatedly at key milestones as estimates, costs and assumptions are refined. This process enables continued viability checks leading up to the point of construction and allows for decision-making at key milestones as to whether to proceed.

For the purposes of this business plan, financial feasibility has been based on preliminary estimates and assumptions that reflect the current project concept. It is fully expected that as this concept evolves, financial parameters would need to be reviewed and re-tested to ensure continued viability.

Two development scenarios have been created to test project viability:

Option 1 includes 2 one bedroom units funded through a program similar to the Investment in Affordable Housing (IAH) capital funding program. In this scenario, rents for funded units are set at 80% of average market rent (AMR), receiving \$150,000 per unit. The remaining 2 one bedroom units and the lone two bedroom unit rents are set at the AMR and do not receive capital funding from this program. Under this scenario, the agreed County commitment of \$330,000 is required to make it financially feasible.

Option 2 does not receive capital funding from an IAH-type program. Rent amounts for units are set at similar levels as under Option 1 with both AMR and below AMR rents. The outcome of this scenario requires an estimated equity contribution of about \$475,000 beyond the agreed County commitment of \$330,000 to make it financially feasible and to offset the absence of the IAH-type capital funding mentioned above.

Project assumptions/parameters

As an integral part of the business plan, the project must demonstrate financial self-sufficiency in order to attract financing commitments. Therefore, the pro forma must clearly show that the operation of the project will generate sufficient revenues to cover debt service (i.e. mortgage), operating costs and funding of a capital reserve, all while achieving a positive debt service ratio.

In order to achieve operational viability, capital costs and associated borrowing requirements must be minimized where possible. Contributions to offset capital costs are also used to reduce debt service costs for the project (i.e. mortgage payments) and in that regard, a number of funding sources have been identified to meet these costs.

General assumptions utilized in the financial analysis of the project are as follows:

- 5 units total – 4 one bedroom units (600 sf/unit) and 1 two bedroom (800 sf/unit)
- Total buildable area – 4,000 sf (GFA), including modest amenity space

- Building construction – single storey slab on grade, wood frame with standard sloped roof
- Servicing – Private well and septic system
- Procurement - design/tender (stipulated price contract)
- Financing – conventional mortgage via private lender with CMHC insurance
- Contributions – fees waivers and land provided by Township, capital contribution from the County, IAH-type funding for 2 units (\$150,000 x 2 = \$300,000) for option 1 only
- Owner status – municipal corporation

Using these guiding assumptions, a financial plan for the proposed project has been established and tested for feasibility. The following sections identify the estimated capital and operating costs of the proposed project as well as the funding and capital equity requirements. In addition to detailed assumptions that are discussed in the sections following, summary pro forma tables are also provided in Appendix A that help to clarify the basis for the estimates used.

Estimated capital budget

Capital costs are those costs associated with establishing the project and include land, construction and related development costs. The table below is a general summary of the overall estimated capital costs for the proposed senior's housing project for Option 1 (funded units).

Estimated Capital Budget – Option 1 (2 units funded under IAH-type Program)

Capital Costs	
<i>Soft Costs</i>	
Building Consultant Costs	\$172,134
Site Costs	\$80,795
Legal and Organizational Costs	\$24,013
Financing Costs	\$32,521
Fees and Permits	\$15,750
Contingency	\$14,668
SOFT COSTS TOTAL	\$339,879
<i>Hard Costs</i>	
Construction Costs	\$1,016,153
Land Costs	\$50,000
HARD COSTS TOTAL	\$1,066,153
HST (include in above lines)	\$148,763
TOTAL CAPITAL COSTS	\$1,406,032

The total capital costs for the proposed project under this configuration are estimated to be \$1,406,032. This total includes hard costs (land and construction) of \$1,066,153 and soft costs of \$339,879. It also includes an HST amount of \$148,763. Details regarding component capital costs are identified below. Total capital costs would be offset by the financial resources and funding outlined in Section 5.4.

Estimated Capital Budget – Option 2 (no units funded under IAH-type Program)

Capital Costs	
<i>Soft Costs</i>	
Building Consultant Costs	\$154,054
Site Costs	\$80,795
Legal and Organizational Costs	\$24,013
Financing Costs	\$17,348
Fees and Permits	\$15,750
Contingency	\$55,283
SOFT COSTS TOTAL	\$305,068
<i>Hard Costs</i>	
Construction Costs	\$1,016,153
Land Costs	\$50,000
HARD COSTS TOTAL	\$1,066,153
HST (include in above lines)	\$146,683
TOTAL CAPITAL COSTS	\$1,371,221

As illustrated above, the total capital costs for the proposed project under Option 2 (not funded) are estimated to be \$1,371,221. This total includes hard costs (land and construction) of \$1,066,153 and soft costs of \$305,068. It also includes an HST amount of \$146,683. Details regarding component capital costs are identified below. Total capital costs would be offset by the financial resources and funding outlined in Section 5.4.

Soft Costs

Soft costs account for the many items/tasks necessary to design and bring the project to the point where construction can occur. Soft costs for the proposed project are assumed to include:

- *Building consultant costs* – includes architect, development consultant and quantity surveyor costs as well as associated disbursements
- *Site-related costs* – includes site surveying, technical testing and a phase 1 environmental site assessment as well as septic system and well installation
- *Legals and organizational expenses* – includes legal and organizational expenses as well as capital audit, appraisal and property taxes during construction
- *Financing costs* – includes interest during construction as well as lender fees and mortgage insurance premiums (CMHC insured mortgage)
- *Fees and permits* – these include development application fees and building permit fees (offsets for these costs are identified in Section 5.4)
- *Contingency* - a contingency of 5% has been included to account for unforeseen soft cost variances

Hard Costs

Hard costs account for land, construction and associated costs for building and fitting up the project. For the proposed project, hard costs are assumed to include the following:

- *Construction costs* – base costs are assumed at \$200/sf (GFA) and reflect build-on-site construction
- *Site servicing* – includes costs for hydro connection fees
- *Appliances* - includes costs for in-unit appliances (fridges/stoves) as well as washer/dryer facilities in the common area
- *Escalation and contingency* – assumed at 10% of construction cost + site servicing costs to account for unforeseen costs/charges
- *Land* – assumed cost of \$50,000 (owned land used as equity)
- *Harmonized Sales Tax* – assumed as applicable for total capital costs

Estimated operating budget

Once built, there are on-going costs associated with operating and maintaining a project. The tables following provide a general summary of the overall estimated operating costs for the first year of operation for the proposed senior's housing project. These can be summarized as follows:

Option 1 (funded units)- The total operating costs for the proposed project under this configuration are estimated to be \$46,212. This total includes maintenance and administration costs, as well as mortgage costs and capital reserve contributions. HST payable and associated rebates have also been factored into these costs. Net revenues are projected at \$49,476 and include rents, laundry revenues and vacancy loss. As a result, a net annual surplus of \$3,264 is projected which translates into a debt coverage ratio of 1.12, which demonstrates financial feasibility. Details regarding component costs and revenues are identified in the section that follows.

Option 2 (not funded) - The total operating costs for the proposed project under Option 2 are estimated to be \$44,322. This total includes maintenance and administration costs, as well as mortgage costs and capital reserve contributions. HST payable and associated rebates have also been factored into these costs. Net revenues are projected at \$49,476 and include rents, laundry revenues and vacancy loss. As a result, a net annual surplus of \$5,154 is projected which translates into a debt coverage ratio of 1.21, which demonstrates financial feasibility. Details regarding component costs and revenues are identified in the section that follows.

Estimated Year One Operating Budget – Option 1 (2 units funded under IAH-type Program)

Operating Budget	
<i>Estimated Operating Revenue</i>	
Rental Income from Tenants	\$49,666
Laundry Revenue	\$1,300
Vacancy Loss	-\$1,490
Total Operating Revenue	\$49,476
<i>Estimated Operating Expenses</i>	
Maintenance – Wages, Materials and Services	\$3,250
Heat & Water	\$0
Electricity	\$1,000
Property Management Fee	\$5,366
Other Administrative Materials & Services	\$0
Capital Replacement Reserves Contribution	\$2,039
Insurance	\$1,250
Property Taxes	\$6,000
HST	\$2,458
HST Rebate	-\$2,126
Mortgage Payments	\$26,975
Total Operating Expenses	\$46,212
Net Operating Income	\$30,239
Debt Service	\$26,975
Debt Coverage Ratio	1.12
NET OPERATING PROFIT/LOSS	\$3,264

Estimated Year One Operating Budget – Option 2 (no units funded under IAH-type Program)

Operating Budget	
<i>Estimated Operating Revenue</i>	
Rental Income from Tenants	\$49,666
Laundry Revenue	\$1,300
Vacancy Loss	-\$1,490
Total Operating Revenue	\$49,476
<i>Estimated Operating Expenses</i>	
Maintenance – Wages, Materials and Services	\$3,250
Heat & Water	\$0
Electricity	\$1,000
Property Management Fee	\$5,366
Other Administrative Materials & Services	\$0
Capital Replacement Reserves Contribution	\$2,039
Insurance	\$1,250
Property Taxes	\$6,000
HST	\$2,458

HST Rebate	-\$2,126
Mortgage Payments	\$25,085
Total Operating Expenses	\$44,322
Net Operating Income	\$30,239
Debt Service	\$25,085
Debt Coverage Ratio	1.21
NET OPERATING PROFIT/LOSS	\$5,154

Operating Revenue

The operating revenue refers to the on-going income for the project and would include such components as rental income, sundry income and funding contributions. The sources of revenue during the operational phase of this senior's housing development are expected to include only rental income from tenants and laundry revenue.

Operating revenues in the first year are assumed to include the following:

- *Rental income* – rents are based on surveyed market rents for the North/Central Frontenac area
- *Laundry revenue* - laundry revenue generated from coin-operated machines has been estimated at \$1,300 annually
- *Vacancy loss* – throughout a typical year, vacancies can occur due to the timing of move-ins and move-outs. An allowance of 3% of revenue has been used to account for this loss.

While not defined in first year budget figures, it is anticipated that the annual increase in tenant income will be based on the average rate of change of the Ontario Rent Increase Guideline over the last five years.

Operating Expenses

Operating expenses include regular day-to-day costs for running the housing project, such as maintenance and services, utility costs, property taxes, landscaping, property management, insurance, administrative materials and services, HST and contributions to a long-term capital replacement reserve fund.

Estimates of operating expenses for the proposed project have been developed using data from projects of a similar nature. The total operating expenses for the proposed project are estimated for the first year to be \$46,212 for option 1 and \$44,322 for option 2 and are comprised of the following notable items:

- *Maintenance, administration, insurance and property management* – Cost estimates are based on average per unit costs in actual projects and assume the use of contract or part time staff for necessary duties, given the small scale of the project.
- *Utilities* – have been assumed for hydro in common areas only as it is expected that heat and hydro for individual units would be paid directly by tenants.
- *Capital Replacement reserves* – in accordance with CMHC mortgage insurance requirements and prudent practice, an annual contribution to the project's capital reserve fund is assumed in an amount equal to 4% of total operating revenue. This reserve would be used to fund future lifecycle capital repair costs as needs arise.

- *Property taxes* – property taxes for all units have been assumed at the current multiple residential rate. However, it may be necessary to provide property taxes at a reduced rate. Under past programs, taxes for the funded units would need to be equivalent to the single residential rate to qualify for funding. This would require a formal tax reduction by the Township and County.
- *Harmonized Sales Tax* – applicable HST has been assumed as well as an associated rebate. The rebate is equivalent to that permitted by municipal providers.
- *Mortgage payment – Option 1:* An annual mortgage payment of \$26,975 has been assumed based on the projected lending amount (\$584,102), a 35 year amortization period and an interest rate of 3.00%. *Option 2:* An annual mortgage payment of \$25,085 has been assumed based on the projected lending amount (\$376,090), a 25 year amortization period and an interest rate of 4.50%.
- Preferred rates and amortization are assumed under Option 1 as the mortgage would be CMHC insured but held with a private lender. Consideration could also be given for self-financing by the Township or County as this could result in savings to the project for financing costs.

While not expressed in the first year operating budget, expenses for maintenance, other administrative materials and services, insurance and property taxes are assumed to increase by 2% per year. This is based on the 5 year average rate of increase in the Consumer Price Index. Other expenses, such as hydro, are assumed to increase by 4.34% annually based on the five-year average rate of increase in the Consumer Price Index for utilities.

Funding/capital requirements

As an affordable housing project, there typically are contributions, fee relief and/or funding that is required in order to ensure affordability and maintain financial viability. These contributions provide an important revenue bridge between the lending capacity of the project and total costs. The table below provides a general summary of the sources of funding that have been assumed for the proposed senior's housing project.

Anticipated Project Contributions – Option 1 (2 units funded under IAH-type Program)

Contributions	
HST Rebate	\$128,680
Fees and Charges Waived	\$13,250
Capital Grant from the County	\$330,000
IAH Funding	\$300,000
Equity Contribution (land)	\$50,000
TOTAL CONTRIBUTIONS	\$821,930

Anticipated Project Contributions – Option 2 (no units funded under IAH-type Program)

Contributions	
HST Rebate	\$126,881
Fees and Charges Waived	\$13,250
Capital Grant from the County	\$330,000
IAH Funding	\$0
Equity Contribution (land + cash)	\$525,000
TOTAL CONTRIBUTIONS	\$995,131

Many of these contributions involve waivers of municipal fees/charges while others involve eligible tax rebates or cash contributions. Details regarding contributions are identified below.

- *HST Rebate* – The project has been assumed as sponsored by a municipal entity and as such, the project would be entitled to receive a 78% PST rebate and a 100% GST rebate, resulting in a total HST rebate of \$128,680 for development option 1 and \$126,881 for option 2.
- *Waiver of Planning/Building Fees and Development Charges* – As a County and Township-supported project, it is assumed that municipal contributions in-kind that enhance financial viability would be welcome. Accordingly, it has been assumed that municipal fees for required land use planning approvals, building permit fees and development charges, estimated in the order of \$13,250 would be waived for both development options of the project.
- *Capital Grant from the County* – In accordance with the terms of reference for the business plan and based on funding allocated for seniors housing by the County, it has been assumed that the project would receive a capital grant of \$330,000 from the County of Frontenac
- *Land Value* – The Township is assumed to own the property for the project and as such, the value of the property would be deemed an equity contribution to the project at a value of \$50,000.
- *Equity Contribution* – Based on current estimates of total project costs, potential contributions and assumed debt service capacity, no capital shortfall is projected for development option 1. For development option 2, a total equity contribution of \$475,000 is required to make the project financially viable, primarily given the absence of IAH-type funding. This equity could be secured in the form of an additional cash contribution, fund raising or some combination thereof.

Financial viability

The financial plan outlined above presents capital and operating budgets that result in a feasible and self-sustaining project used current assumptions. Based on these estimates, total project costs would be in the order of \$1.4M for development option 1 and \$1.37M for option 2. Funding for development costs in option 1 would be provided through conventional financing of approximately \$584,102, and a range of project contributions/rebates totaling \$821,930. For option 2, these costs include \$376,090 in mortgage costs and contributions and rebates totalling \$995,131.

Operationally, development option 1 is estimated to have an initial annual operating cost of \$46,212 which would be offset by rents and revenues in the order of \$49,476. This would result in a modest annual operating surplus of approximately \$3,264. Calculations show that, based on this operating cost structure, the project would achieve a debt coverage ratio of 1.12, demonstrating that it is financially viable.

Development option 2 is estimated to have an initial annual operating cost of \$44,322 which would be offset by rents and revenues in the order of \$49,476. This would result in a modest annual operating surplus of approximately \$5,154. Calculations show that, based on this operating cost structure, the project would achieve a debt coverage ratio of 1.21, demonstrating that it is financially viable.

That said, viability assumptions do rely on a number of contributions and fee relief to help defray project costs. These contributions would require the support of both the Township and the County in order to be realized.

Going forward, it will be critical to re-test assumptions as cost and revenue estimates are refined. This will help ensure that as the project concept evolves, options to maintain financial viability can be considered and applied as needed.

GOVERNANCE

An important consideration in moving forward with the proposed project is understanding how it will be sponsored and operated on an on-going basis. This has implications not only for basic operations and sustainability but can have an impact the financial assumptions for the project. Following is a review of key governance issues.

Project ownership/oversight

The project sponsor – the owner – has a fundamental role in the development and long term success of the project. Typically for a project of this nature, an established non-profit housing organization would be a prime sponsor. The experience they have in project operations and property management would be highly beneficial.

The one local organization with experience in the ownership and management of affordable rental housing is North Frontenac Non-Profit Housing Corporation (NFHC), which owns and operates a number of building in and around the Sharbot Lake area. Based on preliminary discussions, the Corporation may have an interest in some form of involvement in the project. Their expertise and experience in property management of affordable housing make them well suited to be retained as the property managers for the project. This should be strongly considered. While the Township may be best suited to own the project, any form of involvement in the ownership of the building by the NFHC would need to be discussed with their Board and senior staff.

One alternate approach which could be considered in view of the interest of the Township and NFHC in the project would be the creation of a separate, legally distinct non-profit housing corporation that has representation from both organizations on its Board of Directors. This mix of representation on the Board of the corporation would facilitate arm's length local oversight while at the same time compartmentalizing liability and risks associated with operations. The on-going involvement of the Township would further help to provide stability and continuity for the project. The stability of this alternate approach is seen as highly desirable in getting the project up and running where the Township does not want to take on ownership responsibilities.

Planned approach to management

As noted above, North Frontenac Non-Profit Housing Corporation possesses the experience and expertise to undertake the property management and maintenance of a building of this nature. Given the modest size of the project, this involvement would be on a part-time basis. They could be retained on this basis for an annual property management fee which would be negotiated with the Board of Directors.

MOVING FORWARD

Summary of preferred concept

Based on demonstrated needs, community consultation and business case analysis, the concept for a small scale seniors housing project situated in either Plevna or Cloyne has been developed. This concept has been tested and found to be viable, subject to the assumptions outlined in this report. Based on the proposed concept, the senior's housing project would:

- Be modest in scale – 5 self-contained apartment units (4 one bedroom, 1 two bedroom) plus amenity space for a total buildable area of 4,000 s.f. (GFA)
- Include basic amenity space - laundry facilities (1 pair) and a small indoor common area for gathering/socialization would be provided
- Accommodate seniors mobility needs – providing a safe, indoor access to apartment units while incorporating visitability and accessibility throughout units and common spaces
- Support basic affordability – all units would be rental and offered at or below average market rent levels. Rents for 2 of the one bedroom units could be lowered to 80% of average market rent if IAH-type funding is obtained from the City of Kingston.
- Be procured as new construction – this approach would enable a single storey slab-on-grade building, with a cost-effective double-loaded main corridor, wood frame structure and standard sloped roof
- Incorporate practical sustainability features that promote energy efficiency
- Be situated on land currently owned by the Township of North Frontenac
- Be procured through a formal design/tender process (stipulated price contract)
- Be financed using a conventional mortgage that is CMHC-insured in concert with an equity contribution of \$330,000 from the County or, in the case of the non-funded option, have a conventional mortgage and \$330,000 equity contribution from the County as well as a further equity contribution in the order of \$475,000 to achieve viability
- Be owned by the Township of North Frontenac
- Be managed by North Frontenac Non-Profit Housing Corporation, should they be agreeable to take on that role.

As a result of the financial analysis, it has been determined that the project would be viable based on preliminary cost estimates, anticipated revenues and assumed contributions. While a series of land use approvals are required to permit the intended use, there do not appear to be any significant barriers to securing these approvals. Prior to acquiring the project site, due diligence testing would be required to ensure that no environmental concerns or project servicing impediments exist. Based on an initial scan of current conditions and background information, no impediments are anticipated. Viable project governance options exist, the most plausible of which would see ownership of the project by the Township and management of the project by NFHC, an experienced local housing provider.

Process/critical path

While preliminary feasibility of the project concept has been demonstrated, there are a number of steps necessary to advance the project. Moving forward through these steps, there are a number of decision points where the plausibility of advancing would need to be reconfirmed as the project concept is refined. Initially, this would involve steps confirming the parameters for moving forward from the initial feasibility testing, including the following tasks:

- *Confirm decision to move forward* – in addition to endorsing the business plan, this task would involve securing development consulting expertise to advance the project
- *Confirm decisions with regards governance/oversight* – this would involve defining the Township role in the project going forward, as well as pursuing incorporation of the sponsor entity (if the alternate approach is preferred). Discussions would be required with the Board of North Frontenac Non-Profit Housing Corporation about potential representation on the Board of Directors if this approach was pursued.
- *Determine which of the preferred sites will be used for the project* – this would involve cursory investigations to determine the technical capacity of each site to meet private servicing needs and accommodate multiple uses. Based on this review, the project site would be selected for advancing pre-development work.
- *Enter into discussions with North Frontenac Non-Profit Housing Corporation about property management* – this would involve meeting with NFHC to determine their interest in assuming the role of property managers of the building
- *Confirm initial funding commitments* – to enable project planning, County and Township contributions would need to be confirmed. Access to financing would also need to be confirmed on a preliminary basis as well as the funding/resources necessary to undertake the next stage of pre-development work. The City of Kingston would also need to be approached regarding the availability of IAH-type funding.

With these activities completed, a decision regarding proceeding/not would be made in order to move forward to the pre-development stage. Under this phase, the following activities would be required to advance development of the project to the point of construction commitment:

- *Assemble technical/design team* – this would involve identifying or recruiting development team members, including a project architect and technical testing specialists
- *Formalize project design* – preliminary design drawings would be developed for comment and subsequent refinement in accordance with the finalized project concept
- *Complete due diligence for land* – in order to finalize site acquisition, environmental and technical testing would need to be conducted to formally confirm that no development constraints existed
- *Confirm specific service requirements* – having confirmed technical parameters and preliminary design, final servicing designs would be developed for well, septic systems and utilities into the site
- *Re-confirm costs, funding and mortgage financing* – in addition to updated pro forma figures, a conditional financing commitment would be secured to confirm financial parameters prior to tendering

With these activities completed, a decision regarding proceeding/not would be made in order to move forward to the construction stage. Under this phase, the following activities would be required:

- *Prepare contract documents for bidding* – final design drawings and accompanying specifications would be developed for tendering purposes
- *Tendering for construction pricing* – contract documents would be tendered for pricing to qualified bidders and results would be evaluated against budgeted construction costs. Both conventional contractors and modular contractors could be invited.
- *Reconfirm financing and project commitment* – final budget adjustments would be made based on tendered costs to secure final financing approvals, thereby enabling owner approval for project commitment to proceed with construction
- *Negotiate construction contract and commence construction* – with approval in hand, a standard construction contract would be executed with the selected bidder
- *Construction monitoring* – through the construction process, regular progress reviews would be undertaken to track progress against the building schedule as well as costs versus budget
- *Pre-occupancy planning* – during the construction phase, planning would be undertaken in order to prepare for tenant move-in and project operations
- *Post-occupancy wrap-up* – with the conclusion of construction and the subsequent certification for project occupancy, capital cost reconciliation, HST self-assessment, warranty inspections, etc. would be completed in order to close out the capital development phase of the project

Key elements & critical success factors

As noted, there are a number of tasks require to move the project forward through successive stages of development. Each stage is punctuated with a decision point on whether to proceed or not to the next stage. While this progressive process lays out a stepwise approach to move from initial viability through to construction, there are some fundamental success factors that are key ingredients for realizing the proposed project. Having these elements in place goes a long way to supporting project viability.

Key elements required for a successful project include:

- *Allocating sufficient resources* – having the funds/resources to undertake pre-development work and advance through construction is essential to the success of the project
- *Having a clear governance/accountability framework* – during development and after occupancy, having a clear and straight-forward decision-making structure for oversight
- *Acquiring strong technical expertise* – through the development process, a range of technical issues must be addressed/overcome and having an experienced team is key to staying on track
- *Securing access to financing* – securing financing is a critical component to meeting the financial obligations of development

APPENDIX A – PRO FORMA DETAILS

- Option 1 – Funded Model
- Option 2 – Non-Funded Model

Project Statistics**Pro Forma Version:** NF seniors (1 x 5 unit pod) FUNDED v1.2

Sponsor Group: NF seniors (municipal)
 Project Address: TBC - assumed on vacant lands
 Project Type: New construction - mixed affordability
 Rental tenure. Minimal ancillary space
 new private services required

Pro forma use: initial modelling - v 1.2
 Summary as at: 2019-05-10

Site Area: 87,120 s.f. (2 acres, owned)
 Building footprint: 4,000 s.f.
 Site Coverage: 4.6%

Construction Period: 8 months (est.)

Units	# of Units	Unit Size (SF)	Unit Size (m ²)	Rent/charge per month	Rent as % of AMR	AMR*	Comments
<u>Rental (assist)</u>							
one bedroom	2	600	0	\$ 665	79.98%	\$ 832	assumed at BMR
one bedroom (mod.)	0	0	0	\$ -	#DIV/0!	\$ -	
two bedroom	0	0	0	\$ -	#DIV/0!	\$ -	
<u>Rental (market)</u>							
one bedroom	2	600		\$ 832	100.00%	\$ 832	assumed at AMR
two bedroom	1	750		\$ 1,144	100.00%	\$ 1,144	assumed at AMR
Total Units	5						

*AMR based on results of rental survey of private units in CF area+ 4%

Annual Rent/charge Revenue	Revenue	% of total	If @ AMR	Comments
Rental revenue (BMR)	\$ 15,970	32.2%	\$ 19,968	
Rental revenue (market)	\$ 33,696	67.8%	\$ 33,696	
Total occupancy revenue	\$ 49,666	100.0%	\$ 53,664	

GFA allocation	(SF)	(m ²)	% of Total Space	Comments
Total GFA of Dwelling Units	3,150	0	78.75%	units only
Residential circ. space	350	0	8.75%	incl. halls, stairs, vestibule, etc.
Other res. amenity space	500	0	12.50%	common room/amenity (incl. laundry)
Non-residential space	0		0.00%	offices/admin space
Commercial rental space	0	0	0.00%	
Total Building Area	4,000	0	100.00%	

Parking	Res.	Non Res.	Total	
Surface parking spaces	8	0	8	ZBL requires 1.5/unit for apt. uses
Sheltered parking spaces			0	
U/G parking spaces			0	
Total spaces	8	0	8	

PRO FORMA SUMMARY - Key indicators

Capital			
<i>Expenses</i>			
Land	\$ 50,000	3.6%	
Soft costs	\$ 339,879	24.2%	
Hard costs (const.)	\$ 1,016,153	72.3%	
Total	\$ 1,406,032	100.0%	
Capital Contribution - other (county)			
<i>Revenues</i>			
equity	\$ 821,930	58.5%	
financing	\$ 584,102	41.5%	← cap. percent
Total	\$ 1,406,032	100.0%	

Operating - year 1

<i>Revenues</i>			
Generated	\$ 50,966	100.0%	
Supplemented	\$ -	0.0%	
Total	\$ 50,966	100.0%	
<i>Expenses</i>			
Operations	\$ 19,237	41.6%	
Mortgage	\$ 26,975	58.4%	
Total	\$ 46,212	100.0%	
Net surplus	\$ 3,264	7.1%	
NOI	\$ 30,239		
DCR	1.12		

SOFT COSTS

NF seniors (1 x 5 unit pod) FUNDED v1.2

	Building	Res.	Non-Res.	Total	Comments
1	Architect, Engineer, Landscape	\$71,131		\$71,131	est. allowance, incl disbursements
2	Cost Consultant (Quantity Surveyor)	\$16,000		\$16,000	assumed as required
3	Development Consultant	\$60,200		\$60,200	est. allowance, incl disbursements
4	Planning Consultant	\$0		\$0	incl. in dev cons. allowance
5	Other -	\$0		\$0	
6	Other - septic system design	\$5,000		\$5,000	technical design for new system
7	Other	\$0		\$0	
8	HST	\$19,803	\$0	\$19,803	
9	Building Sub-total	\$172,134	\$0	\$172,134	
	Site	Res.	Non-Res.	Total	Comments
10	Building and/or Property Appraisal	\$5,000		\$5,000	for financing purposes
11	Topographic Survey	\$2,500		\$2,500	
12	Boundary Survey(s)	\$2,500		\$2,500	may be reqd.
13	Geotechnical Assessment	\$8,500		\$8,500	bearing/soils and hydrogeo analysis for servicing
14	Environmental Site Assessment	\$5,000		\$5,000	ESA Phase 1 only
15	Stormwater Management Study	\$0		\$0	
16	Noise study			\$0	assumed n/a
17	Traffic study			\$0	assumed n/a
18	Other - well drilling/testing	\$8,000		\$8,000	assumed for 1 new water well
19	Other - install septic system	\$40,000		\$40,000	est. for new septic system + approvals (KFL&A)
20	HST	\$9,295	\$0	\$9,295	
21	Site Sub-total	\$80,795	\$0	\$80,795	
	Legal and Organizational	Res.	Non-Res.	Total	Comments
22	Legal Fees - land/development	\$0		\$0	
23	Legal Fees - contracts/agreement	\$10,000		\$10,000	est.
24	Organizational Expenses	\$1,000		\$1,000	allowance
25	Marketing/Rent-up	\$500		\$500	based on \$100/unit
26	Board/Org. Insurance	\$1,250		\$1,250	\$250 per unit
27	Capital Cost Audit	\$5,000		\$5,000	assumed reqd. for funder/lender
28	Other - FMV appraisal for HST	\$3,500		\$3,500	to support HST self-assessment value
29	Other			\$0	
30	Other			\$0	
31	HST	\$2,763	\$0	\$2,763	
32	Legal and Organization Sub-total	\$24,013	\$0	\$24,013	
	Financing Costs	Res.	Non-Res.	Total	Comments
33	Interest on Bridge Funding (pre-cons.)			\$0	
34	Interest During Construction	\$8,650		\$8,650	estimated
35	Lender's Application Fee	\$2,500		\$2,500	est. only
36	Lender's Legal Fees	\$2,500		\$2,500	est. only
37	Lender's Mortgage Advance Fee	\$2,100		\$2,100	est. at \$350/draw for 6 draws
38	CMHC Mortgage Ins. Application Fee	\$1,000		\$1,000	\$200/unit
39	CMHC Mortgage Ins. Premiums	\$15,771		\$15,771	4.5% of loan value for non-funded units
40	Other - Title insurance for land sale	\$0		\$0	n/a - already owned
41	Other			\$0	
42	Other			\$0	
43	Financing Costs Sub-total	\$32,521	\$0	\$32,521	
	Fees and Permits	Res.	Non-Res.	Total	Comments
44	Official Plan amendment fees	\$1,000		\$1,000	OPA reqd., fees per bylaw 70-18
45	Zoning By-law amendment fees	\$750		\$750	ZBA reqd., fees per bylaw 70-18
46	Minor varinace/severance fees	\$750		\$750	assumed rqmt. for severance
47	Site Plan Approval Fees	\$750		\$750	fees per bylaw 70-18
48	Development Charges - Regional			\$0	
49	Development Charges - Local	\$0		\$0	n/a
50	Development Charges - School Levy			\$0	
51	Development Charges - Other			\$0	
52	Impost Charges (water/sewer)			\$0	
53	Water meter charges			\$0	
54	Parkland Dedication Fees	\$0		\$0	n/a
55	Cash-in-lieu of Parking			\$0	
56	Demolition Permit fees			\$0	
57	Building Permit Fees	\$10,000		\$10,000	fee based on bylaw 70-18
58	Occupancy Permit Fees			\$0	
59	Property Taxes During Construction	\$0		\$0	n/a - munc. owned land
60	Other - allowance for ancillary fees	\$2,500		\$2,500	allowance only
61	Other			\$0	
62	Other			\$0	
63	HST			\$0	
64	Fees and Permits Sub-total	\$15,750	\$0	\$15,750	
	Soft Costs Summary	Res.	Non-Res.	Total	Comments
65	Soft Costs before HST (Sub-total)	\$293,351	\$0	\$293,351	
66	HST on Soft Costs (Sub-total)	\$31,860	\$0	\$31,860	
67	Soft Costs incl. HST	\$325,212	\$0	\$325,212	
68	Soft Cost Contingency	\$14,668	\$0	\$14,668	assumed at 5%
69	Soft Costs Total	\$339,879	\$0	\$339,879	

HARD COSTS *NF seniors (1 x 5 unit pod) FUNDED v1.2*

	Construction Costs	Res.	Non-Res.	Total	Comments
70	Base Construction Cost	\$800,000		\$800,000	new construction @ \$200/s.f.
71	Demolition Costs	\$0		\$0	
72	Remediation Costs	\$0		\$0	
73	Site Servicing	\$0		\$0	
74	Hydro Connection Fee	\$10,000		\$10,000	est. for connecting service to site
75	Sprinklers	\$0		\$0	
76	Appliances (Fridges & Stoves)	\$6,000		\$6,000	assumed at \$1,200/unit for 5 units
77	Appliances (Modified Units)			\$0	
78	Appliances (Washers/Dryers)	\$1,500		\$1,500	assumed at \$1,500/pair for 1 pair
79	Furniture & Equipment	\$0		\$0	assumed as donated
80	Other	\$0		\$0	
81	Other	\$0		\$0	
82	Contingency	\$81,750	\$0	\$81,750	assumed at 10%
83	Escalation	\$0	\$0	\$0	
84	HST	\$116,903	\$0	\$116,903	
85	Construction Costs Sub-total	\$1,016,153	\$0	\$1,016,153	

	Land/Property Acquisition Costs	Res.	Non-Res.	Total	Comments
86	Purchase Price/Land Value	\$50,000		\$50,000	est. property value for 2 acre parcel
87	Land transfer tax	\$0		\$0	n/a (already owned)
88	HST (as applicable)	\$0	\$0	\$0	n/a (already owned)
89	Land Cost Sub-total	\$50,000	\$0	\$50,000	

	TOTAL CAPITAL COSTS	Res.	Non-Res.	Total	Comments
90	Hard Cost Total (L.85+L.89)	\$1,066,153	\$0	\$1,066,153	
91	Soft Cost Total (L.46)	\$339,879	\$0	\$339,879	
92	Total Project Cost	\$1,406,032	\$0	\$1,406,032	
93	HST Included in Project Cost	\$148,763	\$0	\$148,763	

EQUITY

	Contributions	Res.	Non-Res.	Total	Comments
94	Land Value Donated	\$50,000		\$50,000	owned property contributed as equity
95	Official Plan Amendment Fees - waived	\$1,000		\$1,000	assumed as waived
96	Zoning By-law Amendment Fees - waived	\$750		\$750	assumed as waived
97	Minor Variance/Severance Fees - waived	\$750		\$750	assumed as waived
98	Site Plan Approval Fees - waived	\$750		\$750	assumed as waived
99	Development Charges - Regional - waived			\$0	
100	Development Charges - Local - waived			\$0	
101	Development Charges - School Levy - waived			\$0	
102	Development Charges - Other - waived			\$0	
103	Impost Charges (water/sewer) - waived			\$0	
104	Parkland Dedication Fees - waived	\$0		\$0	
105	Cash-in-lieu of Parking - waived			\$0	
106	Demolition Permit Fees - waived	\$0		\$0	
107	Building Permit Fees - waived	\$10,000		\$10,000	assumed as waived
108	Occupancy Permit Fees - waived			\$0	
109	IAH Funding (via SM)	\$300,000		\$300,000	2 units funded
110	Service Manager Grant			\$0	
111	Capital Contribution - other (county)	\$330,000		\$330,000	grant/contribution from County
112	Capital Contribution - other (local)	\$0		\$0	
113	Fund raising			\$0	
114	PST Rebate	\$0		\$0	
115	HST Rebate	\$128,680		\$128,680	assumed at munc. rate (86.5%)
116	Total Contributions	\$821,930	\$0	\$821,930	
117	Total Project Cost Less Contributions	\$584,102	\$0	\$584,102	

FINANCING

	Mortgage	Res.	Non-Res.	Total	Comments
118	1st Mortgage	\$584,102		\$584,102	
119	1st Mortgage Interest Rate	3.00%		3.00%	assumed CMHC insured
120	1st Mortgage Amortization (years)	35		35	
121	Annual Mortgage Payments for 1st Mortgage	\$26,975		\$26,975	
122	2nd Mortgage			\$0	
123	2nd Mortgage Interest Rate				
124	2nd Mortgage Amortization				
125	Annual Mortgage Payments for 2nd Mortgage			\$0	
126	Total Mortgage Amounts	\$584,102	\$0	\$584,102	
127	Total Annual Mortgage Payments	\$26,975	\$0	\$26,975	

Operating Budget

NF seniors (1 x 5 unit pod) FUNDED v1.2

First Full Year

	Estimated Operating Revenue	Res.	Non-Res.	Total	Comments
128	Rental Income from Tenants	\$49,666		\$49,666	mix of 40% BMR and 60% AMR
129	Other Revenue	\$0		\$0	
130	Laundry Revenue	\$1,300		\$1,300	\$5/unit/week
131	Parking Revenue	\$0		\$0	n/a
132	Locker Rental Revenue			\$0	
133	Commercial Rental Revenue			\$0	
134	Other Revenue	\$0		\$0	
135	Other Revenue			\$0	
136	Other Revenue			\$0	
137	Vacancy Loss	-\$1,490		-\$1,490	assumed at 3% of rental revenues
138	Total Operating Revenue	\$49,476	\$0	\$49,476	

	Estimated Operating Expenses	Res.	Non-Res.	Total	Comments
139	Admin. Salaries/Management Fees	\$5,366		\$5,366	10.0% of rental revenue as at AMR
140	Other Admin. Expenses & Fees	\$0		\$0	
141	Maintenance - Salaries, Materials & Services	\$3,250		\$3,250	est. at \$650/unit
142	Heat (Gas, Oil, etc.)	\$0		\$0	unit heating by hydro, tenants pay
143	Electricity	\$1,000		\$1,000	est. at \$200/unit common area only
145	Water/Sewer - water testing	\$0		\$0	
146	Insurance	\$1,250		\$1,250	est. at \$250/unit
147	Property Taxes	\$6,000		\$6,000	est. at \$1,200/unit
148	Bad Debts			\$0	
149	Capital Replacement Reserve Contribution	\$2,039	\$0	\$2,039	assumed at 4% of effective gross income
150	Other Operating Costs			\$0	
151	Other Operating Costs			\$0	
152	HST	\$2,458	\$0	\$2,458	
153	HST rebate	-\$2,126	\$0	-\$2,126	assumed at munc. rate (86.5%)
154	Sub-Total	\$19,237	\$0	\$19,237	
155	Mortgage payments	\$26,975	\$0	\$26,975	
156	Total Operating Expenses	\$46,212	\$0	\$46,212	

157	Net Operating Profit/Loss	\$3,264	\$0	\$3,264	
158	Net Operating Income	\$30,239	\$0	\$30,239	
159	Debt Service Costs	\$26,975	\$0	\$26,975	
160	Debt Coverage Ratio	1.12	#DIV/0!	1.12	

Project Statistics
Pro Forma Version: NF seniors (1 x 5 unit pod) NON-funded v 1.2

Sponsor Group: NF seniors (municipal)
 Project Address: TBC - assumed on vacant lands
 Project Type: New construction - mixed affordability
 Rental tenure. Minimal ancillary space
 new private services required

Pro forma use: initial modelling v 1.2
 Summary as at: 2019-05-10

Site Area: 87,120 s.f. (2 acres, owned)
 Building footprint: 4,000 s.f.
 Site Coverage: 4.6%

Construction Period: 8 months (est.)

Units	# of Units	Unit Size (SF)	Unit Size (m ²)	Rent/charge per month	Rent as % of AMR	AMR*	Comments
<u>Rental (assist)</u>							
one bedroom	2	600	0	\$ 665	79.98%	\$ 832	assumed at BMR
one bedroom (mod.)	0	0	0	\$ -	#DIV/0!	\$ -	assumed at BMR
two bedroom	0	0	0	\$ -	#DIV/0!	\$ -	
<u>Rental (market)</u>							
one bedroom	2	600		\$ 832	100.00%	\$ 832	assumed at AMR
two bedroom	1	750		\$ 1,144	100.00%	\$ 1,144	assumed at AMR
Total Units	5						

*AMR based on results of rental survey of private units in CF area + 4%

Annual Rent/charge Revenue	Revenue	% of total	If @ AMR	Comments
Rental revenue (BMR)	\$ 15,970	32.2%	\$ 19,968	
Rental revenue (market)	\$ 33,696	67.8%	\$ 33,696	
Total occupancy revenue	\$ 49,666	100.0%	\$ 53,664	

GFA allocation	(SF)	(m ²)	% of Total Space	Comments
Total GFA of Dwelling Units	3,150	0	78.75%	units only
Residential circ. space	350	0	8.75%	incl. halls, stairs, vestibule, etc.
Other res. amenity space	500	0	12.50%	common room/amenity (incl. laundry)
Non-residential space	0		0.00%	offices/admin space
Commercial rental space	0	0	0.00%	
Total Building Area	4,000	0	100.00%	

Parking	Res.	Non Res.	Total	
Surface parking spaces	8	0	8	ZBL requires 1.5/unit for apt. uses
Sheltered parking spaces			0	
U/G parking spaces			0	
Total spaces	8	0	8	

PRO FORMA SUMMARY - Key indicators

Capital			
<i>Expenses</i>			
Land	\$ 50,000	3.6%	
Soft costs	\$ 305,068	22.2%	
Hard costs (const.)	\$ 1,016,153	74.1%	
Total	\$ 1,371,221	100.0%	
Capital Contribution - other (county)			
<i>Revenues</i>			
equity	\$ 995,131	72.6%	
financing	\$ 376,090	27.4%	
Total	\$ 1,371,221	100.0%	

← cap. percent

Operating - year 1

<i>Revenues</i>			
Generated	\$ 50,966	100.0%	
Supplemented	\$ -	0.0%	
Total	\$ 50,966	100.0%	
<i>Expenses</i>			
Operations	\$ 19,237	43.4%	
Mortgage	\$ 25,085	56.6%	
Total	\$ 44,322	100.0%	
Net surplus	\$ 5,154	11.6%	
NOI	\$ 30,239		
DCR	1.21		

SOFT COSTS

NF seniors (1 x 5 unit pod) NON-funded v 1.2

	Building	Res.	Non-Res.	Total	Comments
1	Architect, Engineer, Landscape	\$71,131		\$71,131	est. allowance, incl disbursements
2	Cost Consultant (Quantity Surveyor)	\$0		\$0	assumed as NOT required
3	Development Consultant	\$60,200		\$60,200	est. allowance, incl disbursements
4	Planning Consultant	\$0		\$0	incl. in dev cons. allowance
5	Other -	\$0		\$0	
6	Other - septic system design	\$5,000		\$5,000	technical design for new system
7	Other	\$0		\$0	
8	HST	\$17,723	\$0	\$17,723	
9	Building Sub-total	\$154,054	\$0	\$154,054	
	Site	Res.	Non-Res.	Total	Comments
10	Building and/or Property Appraisal	\$5,000		\$5,000	for financing purposes
11	Topographic Survey	\$2,500		\$2,500	
12	Boundary Survey(s)	\$2,500		\$2,500	may be reqd.
13	Geotechnical Assessment	\$8,500		\$8,500	bearing/soils and hydrogeo analysis for servicing
14	Environmental Site Assessment	\$5,000		\$5,000	ESA Phase 1 only
15	Stormwater Management Study	\$0		\$0	
16	Noise study			\$0	assumed n/a
17	Traffic study			\$0	assumed n/a
18	Other - well drilling/testing	\$8,000		\$8,000	assumed for 1 new water well (use existing too)
19	Other - install septic system	\$40,000		\$40,000	est. for new septic system + approvals (KFL&A)
20	HST	\$9,295	\$0	\$9,295	
21	Site Sub-total	\$80,795	\$0	\$80,795	
	Legal and Organizational	Res.	Non-Res.	Total	Comments
22	Legal Fees - land/development	\$0		\$0	
23	Legal Fees - contracts/agreement	\$10,000		\$10,000	est.
24	Organizational Expenses	\$1,000		\$1,000	allowance
25	Marketing/Rent-up	\$500		\$500	based on \$100/unit
26	Board/Org. Insurance	\$1,250		\$1,250	\$250 per unit
27	Capital Cost Audit	\$5,000		\$5,000	assumed reqd. for funder/lender
28	Other - FMV appraisal for HST	\$3,500		\$3,500	to support HST self-assessment value
29	Other			\$0	
30	Other			\$0	
31	HST	\$2,763	\$0	\$2,763	
32	Legal and Organization Sub-total	\$24,013	\$0	\$24,013	
	Financing Costs	Res.	Non-Res.	Total	Comments
33	Interest on Bridge Funding (pre-cons.)			\$0	
34	Interest During Construction	\$10,248		\$10,248	estimated
35	Lender's Application Fee	\$2,500		\$2,500	est. only
36	Lender's Legal Fees	\$2,500		\$2,500	est. only
37	Lender's Mortgage Advance Fee	\$2,100		\$2,100	est. at \$350/draw for 6 draws
38	CMHC Mortgage Ins. Application Fee	\$0		\$0	assumed as NOT required
39	CMHC Mortgage Ins. Premiums	\$0		\$0	assumed as NOT required
40	Other - Title insurance for land sale	\$0		\$0	n/a - already owned
41	Other			\$0	
42	Other			\$0	
43	Financing Costs Sub-total	\$17,348	\$0	\$17,348	
	Fees and Permits	Res.	Non-Res.	Total	Comments
44	Official Plan amendment fees	\$1,000		\$1,000	OPA reqd., fees per bylaw 70-18
45	Zoning By-law amendment fees	\$750		\$750	ZBA reqd., fees per bylaw 70-18
46	Minor varinace/severance fees	\$750		\$750	assumed rqmt. for severance
47	Site Plan Approval Fees	\$750		\$750	fees per bylaw 70-18
48	Development Charges - Regional			\$0	
49	Development Charges - Local	\$0		\$0	n/a
50	Development Charges - School Levy			\$0	
51	Development Charges - Other			\$0	
52	Impost Charges (water/sewer)			\$0	
53	Water meter charges			\$0	
54	Parkland Dedication Fees	\$0		\$0	n/a
55	Cash-in-lieu of Parking			\$0	
56	Demolition Permit fees			\$0	
57	Building Permit Fees	\$10,000		\$10,000	fee based on bylaw 70-18
58	Occupancy Permit Fees			\$0	
59	Property Taxes During Construction	\$0		\$0	n/a - municipally owned land
60	Other - allowance for ancillary fees	\$2,500		\$2,500	allowance only
61	Other			\$0	
62	Other			\$0	
63	HST			\$0	
64	Fees and Permits Sub-total	\$15,750	\$0	\$15,750	
	Soft Costs Summary	Res.	Non-Res.	Total	Comments
65	Soft Costs before HST (Sub-total)	\$262,179	\$0	\$262,179	
66	HST on Soft Costs (Sub-total)	\$29,780	\$0	\$29,780	
67	Soft Costs incl. HST	\$291,959	\$0	\$291,959	
68	Soft Cost Contingency	\$13,109	\$0	\$13,109	assumed at 5%
69	Soft Costs Total	\$305,068	\$0	\$305,068	

HARD COSTS *NF seniors (1 x 5 unit pod) NON-funded v 1.2*

	Construction Costs	Res.	Non-Res.	Total	Comments
70	Base Construction Cost	\$800,000		\$800,000	new construction @ \$200/s.f.
71	Demolition Costs	\$0		\$0	
72	Remediation Costs	\$0		\$0	
73	Site Servicing	\$0		\$0	
74	Hydro Connection Fee	\$10,000		\$10,000	est. for connecting service to site
75	Sprinklers	\$0		\$0	
76	Appliances (Fridges & Stoves)	\$6,000		\$6,000	assumed at \$1,200/unit for 5 units
77	Appliances (Modified Units)			\$0	
78	Appliances (Washers/Dryers)	\$1,500		\$1,500	assumed at \$1,500/pair for 1 pair
79	Furniture & Equipment	\$0		\$0	assumed as donated
80	Other	\$0		\$0	
81	Other	\$0		\$0	
82	Contingency	\$81,750	\$0	\$81,750	assumed at 10%
83	Escalation	\$0	\$0	\$0	
84	HST	\$116,903	\$0	\$116,903	
85	Construction Costs Sub-total	\$1,016,153	\$0	\$1,016,153	

	Land/Property Acquisition Costs	Res.	Non-Res.	Total	Comments
86	Purchase Price/Land Value	\$50,000		\$50,000	est.property value for 2 acre parcel
87	Land transfer tax	\$0		\$0	n/a (already owned)
88	HST (as applicable)	\$0	\$0	\$0	n/a (already owned)
89	Land Cost Sub-total	\$50,000	\$0	\$50,000	

	TOTAL CAPITAL COSTS	Res.	Non-Res.	Total	Comments
90	Hard Cost Total (L.85+L.89)	\$1,066,153	\$0	\$1,066,153	
91	Soft Cost Total (L.46)	\$305,068	\$0	\$305,068	
92	Total Project Cost	\$1,371,221	\$0	\$1,371,221	
93	HST Included in Project Cost	\$146,683	\$0	\$146,683	

EQUITY

	Contributions	Res.	Non-Res.	Total	Comments
94	Land Value Donated	\$50,000		\$50,000	owned property contributed as equity
95	Official Plan Amendment Fees - waived	\$1,000		\$1,000	assumed as waived
96	Zoning By-law Amendment Fees - waived	\$750		\$750	assumed as waived
97	Minor Variance/Severance Fees - waived	\$750		\$750	assumed as waived
98	Site Plan Approval Fees - waived	\$750		\$750	assumed as waived
99	Development Charges - Regional - waived			\$0	
100	Development Charges - Local - waived			\$0	
101	Development Charges - School Levy - waived			\$0	
102	Development Charges - Other - waived			\$0	
103	Impost Charges (water/sewer) - waived			\$0	
104	Parkland Dedication Fees - waived	\$0		\$0	
105	Cash-in-lieu of Parking - waived			\$0	
106	Demolition Permit Fees - waived	\$0		\$0	
107	Building Permit Fees - waived	\$10,000		\$10,000	assumed as waived
108	Occupancy Permit Fees - waived			\$0	
109	IAH Funding (via SM)	\$0			no units funded
110	Service Manager Grant			\$0	
111	Capital Contribution - other (county)	\$330,000		\$330,000	grant/contribution from County
112	Capital Contribution - other (local)	\$475,000		\$475,000	Required local grant/contribution
113	Fund raising			\$0	
114	PST Rebate	\$0		\$0	
115	HST Rebate	\$126,881		\$126,881	assumed at munc. rate (86.5%)
116	Total Contributions	\$995,131	\$0	\$995,131	
117	Total Project Cost Less Contributions	\$376,090	\$0	\$376,090	

FINANCING

	Mortgage	Res.	Non-Res.	Total	Comments
118	1st Mortgage	\$376,090		\$376,090	
119	1st Mortgage Interest Rate	4.50%		4.50%	assumed conv. bank mortgage
120	1st Mortgage Amortization (years)	25		25	
121	Annual Mortgage Payments for 1st Mortgage	\$25,085		\$25,085	
122	2nd Mortgage			\$0	
123	2nd Mortgage Interest Rate				
124	2nd Mortgage Amortization				
125	Annual Mortgage Payments for 2nd Mortgage			\$0	
126	Total Mortgage Amounts	\$376,090	\$0	\$376,090	
127	Total Annual Mortgage Payments	\$25,085	\$0	\$25,085	

Operating Budget

NF seniors (1 x 5 unit pod) NON-funded v 1.2

First Full Year

	Estimated Operating Revenue	Res.	Non-Res.	Total	Comments
128	Rental Income from Tenants	\$49,666		\$49,666	mix of 40% BMR and 60% AMR
129	Other Revenue	\$0		\$0	
130	Laundry Revenue	\$1,300		\$1,300	\$5/unit/week
131	Parking Revenue	\$0		\$0	n/a
132	Locker Rental Revenue			\$0	
133	Commercial Rental Revenue			\$0	
134	Other Revenue	\$0		\$0	
135	Other Revenue			\$0	
136	Other Revenue			\$0	
137	Vacancy Loss	-\$1,490		-\$1,490	assumed at 3% of rental revenues
138	Total Operating Revenue	\$49,476	\$0	\$49,476	

	Estimated Operating Expenses	Res.	Non-Res.	Total	Comments
139	Admin. Salaries/Management Fees	\$5,366		\$5,366	10.0% of rental revenue as at AMR
140	Other Admin. Expenses & Fees	\$0		\$0	
141	Maintenance - Salaries, Materials & Services	\$3,250		\$3,250	est. at \$650/unit
142	Heat (Gas, Oil, etc.)	\$0		\$0	unit heating by hydro, tenants pay
143	Electricity	\$1,000		\$1,000	est. at \$200/unit common area only
145	Water/Sewer - water testing	\$0		\$0	
146	Insurance	\$1,250		\$1,250	est. at \$250/unit
147	Property Taxes	\$6,000		\$6,000	est. ar \$1,200/unit
148	Bad Debts			\$0	
149	Capital Replacement Reserve Contribution	\$2,039	\$0	\$2,039	assumed at 4% of effective gross income
150	Other Operating Costs			\$0	
151	Other Operating Costs			\$0	
152	HST	\$2,458	\$0	\$2,458	
153	HST rebate	-\$2,126	\$0	-\$2,126	assumed at munc. rate (86.5%)
154	Sub-Total	\$19,237	\$0	\$19,237	
155	Mortgage payments	\$25,085	\$0	\$25,085	
156	Total Operating Expenses	\$44,322	\$0	\$44,322	

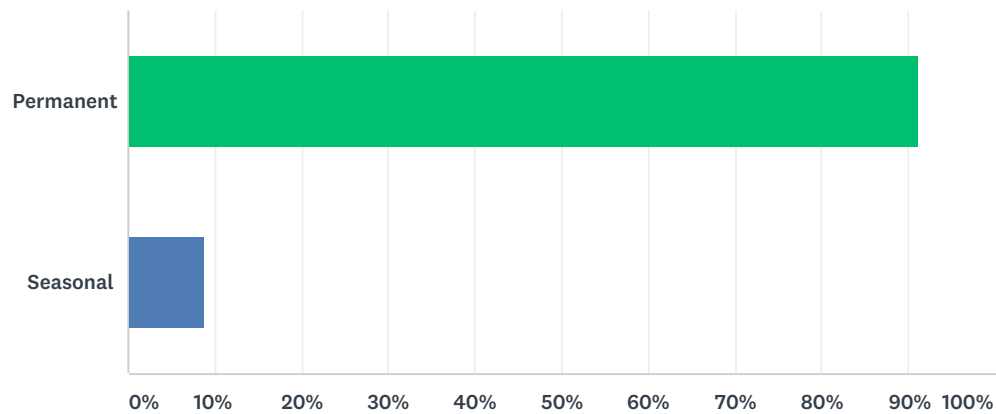
157	Net Operating Profit/Loss	\$5,154	\$0	\$5,154	
158	Net Operating Income	\$30,239	\$0	\$30,239	
159	Debt Service Costs	\$25,085	\$0	\$25,085	
160	Debt Coverage Ratio	1.21	#DIV/0!	1.21	

APPENDIX B – FREQUENCY TABLES

- Responses to Community survey questions

Q1 Are you a permanent or seasonal resident in North Frontenac?

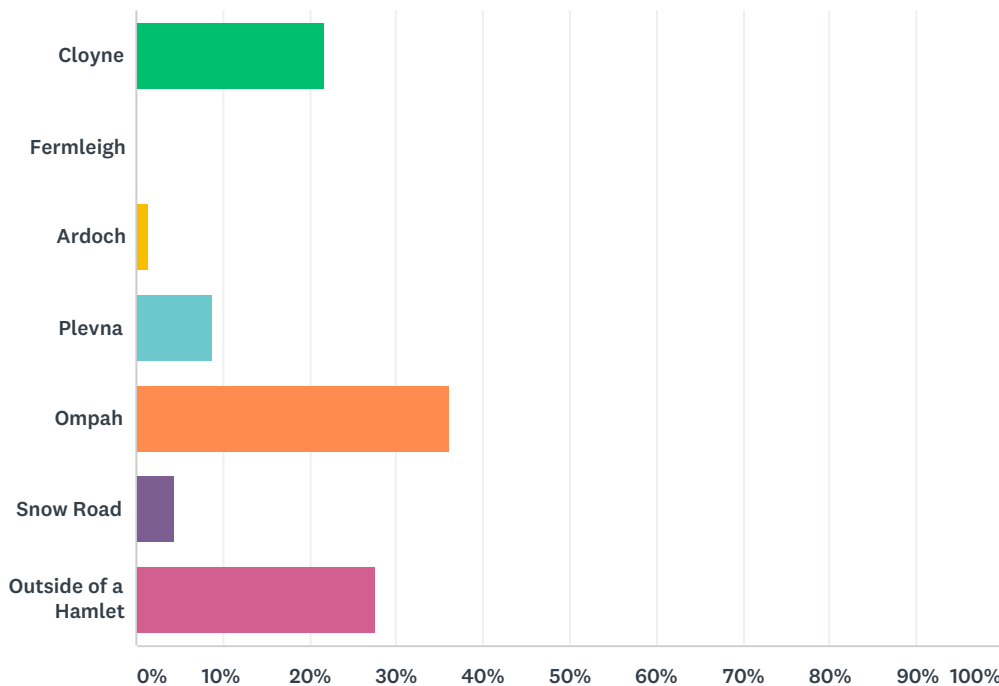
Answered: 69 Skipped: 0



ANSWER CHOICES		RESPONSES	
Permanent		91.30%	63
Seasonal		8.70%	6
Total Respondents: 69			

Q2 Where is your residence located?I currently reside in:

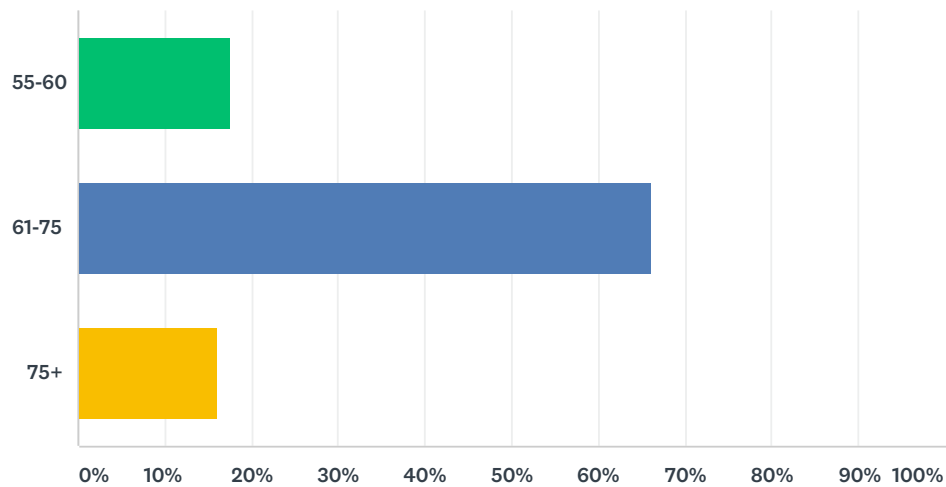
Answered: 69 Skipped: 0



ANSWER CHOICES	RESPONSES	
Cloyne	21.74%	15
Fermleigh	0.00%	0
Ardoch	1.45%	1
Plevna	8.70%	6
Ompah	36.23%	25
Snow Road	4.35%	3
Outside of a Hamlet	27.54%	19
Total Respondents: 69		

Q3 What is your age range:

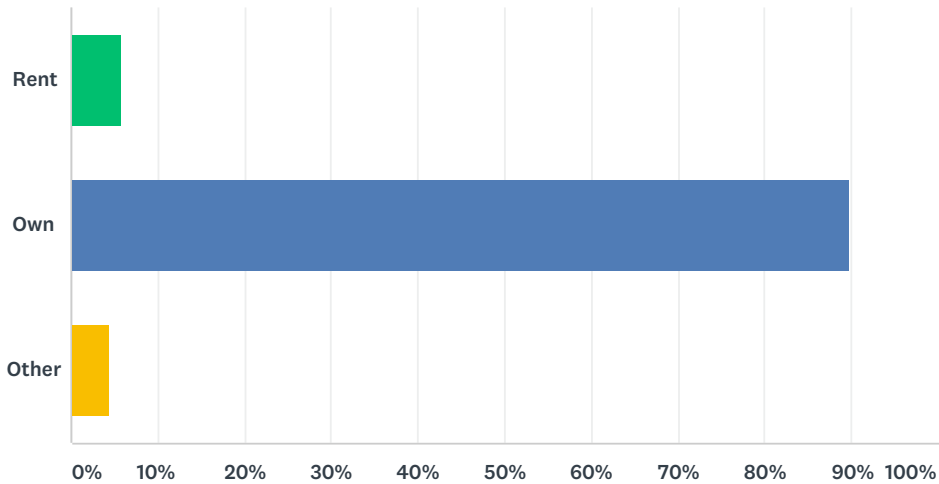
Answered: 68 Skipped: 1



ANSWER CHOICES	RESPONSES	
55-60	17.65%	12
61-75	66.18%	45
75+	16.18%	11
Total Respondents: 68		

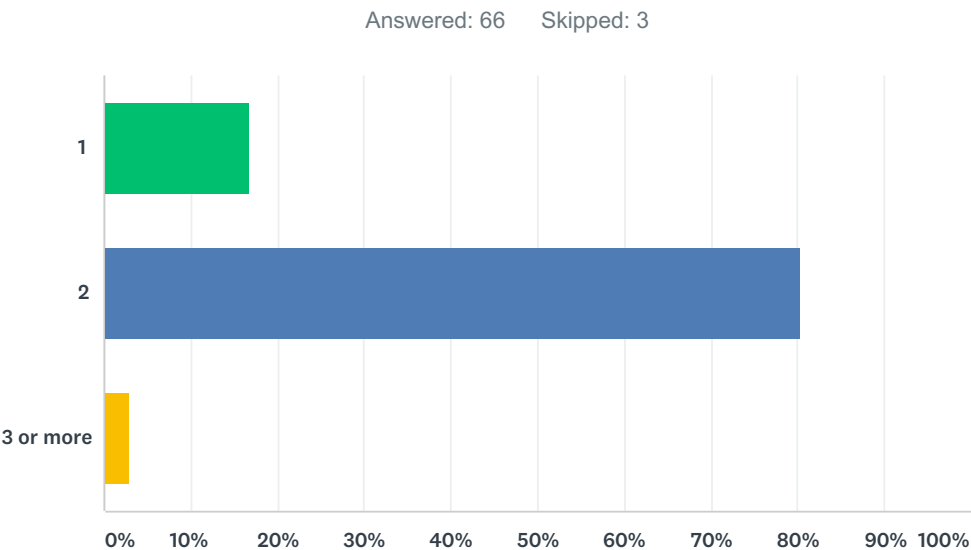
Q4 In terms of accommodation, I currently:

Answered: 68 Skipped: 1



ANSWER CHOICES	RESPONSES	
Rent	5.88%	4
Own	89.71%	61
Other	4.41%	3
Total Respondents: 68		

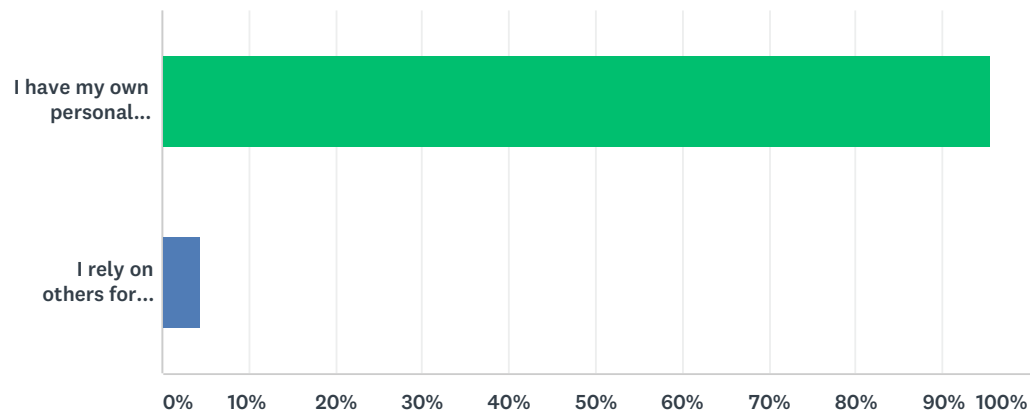
Q5 What is the total number of people living in your household?



ANSWER CHOICES		RESPONSES	
1		16.67%	11
2		80.30%	53
3 or more		3.03%	2
Total Respondents: 66			

Q6 How do you currently manage your transportation requirements?

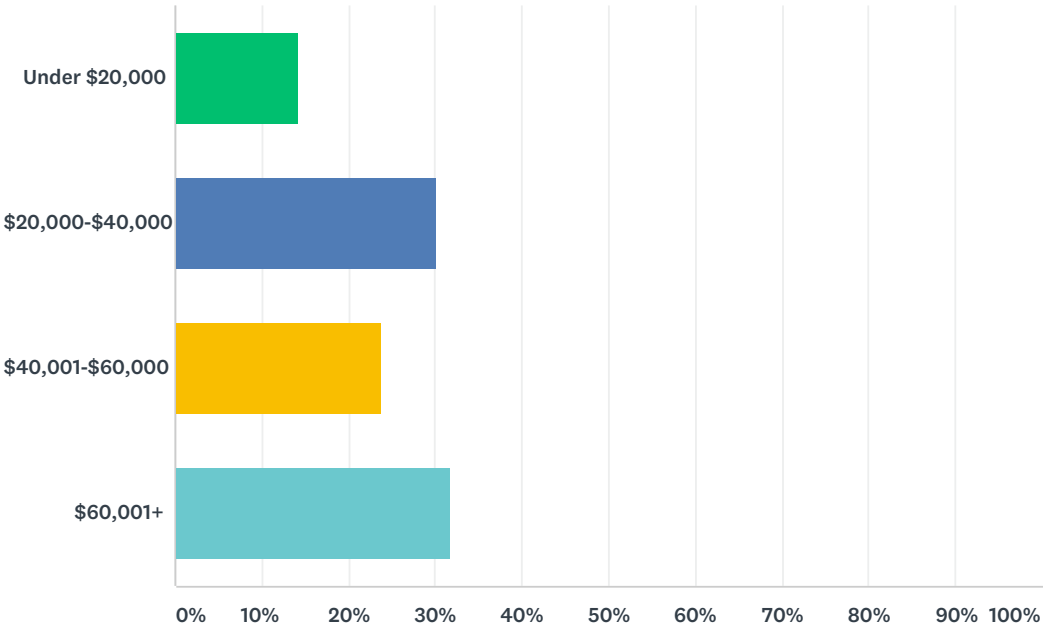
Answered: 67 Skipped: 2



ANSWER CHOICES	RESPONSES	
I have my own personal transportation	95.52%	64
I rely on others for transportation	4.48%	3
Total Respondents: 67		

Q7 Please indicate your total gross household income

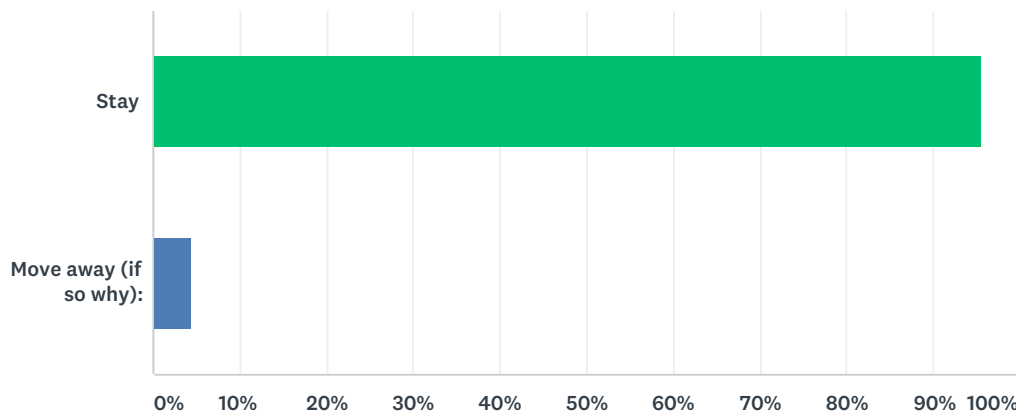
Answered: 63 Skipped: 6



ANSWER CHOICES	RESPONSES	
Under \$20,000	14.29%	9
\$20,000-\$40,000	30.16%	19
\$40,001-\$60,000	23.81%	15
\$60,001+	31.75%	20
Total Respondents: 63		

Q8 Are you currently planning to stay or move away from North Frontenac?

Answered: 67 Skipped: 2



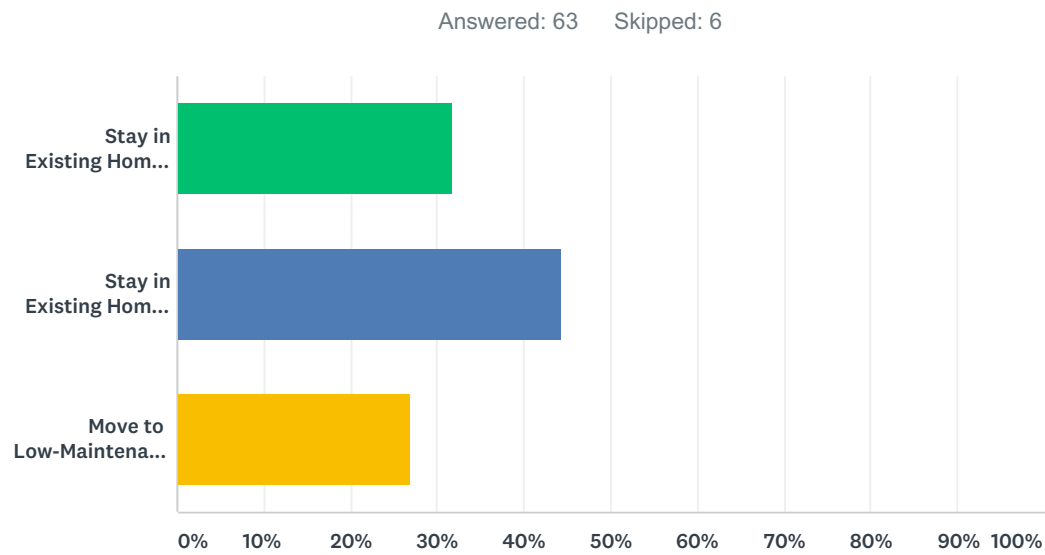
ANSWER CHOICES	RESPONSES	
Stay	95.52%	64
Move away (if so why):	4.48%	3
Total Respondents: 67		

#	MOVE AWAY (IF SO WHY):	DATE
1	Alot depends on Health and the services available to help me stay in my own home	3/26/2018 9:31 AM
2	would move if no services/accommodations available if they are would stay	3/19/2018 10:58 AM
3	closer to doctors and hospitals	3/12/2018 6:48 PM

A few respondents, while indicating they would stay, also included the following comments:

- “would move if no service/accommodations”
- “eventually move away closer to services and conveniences”
- “stay if help is available (paying reasonable rates)”
- “stay if help is available (paying reasonable rates)”

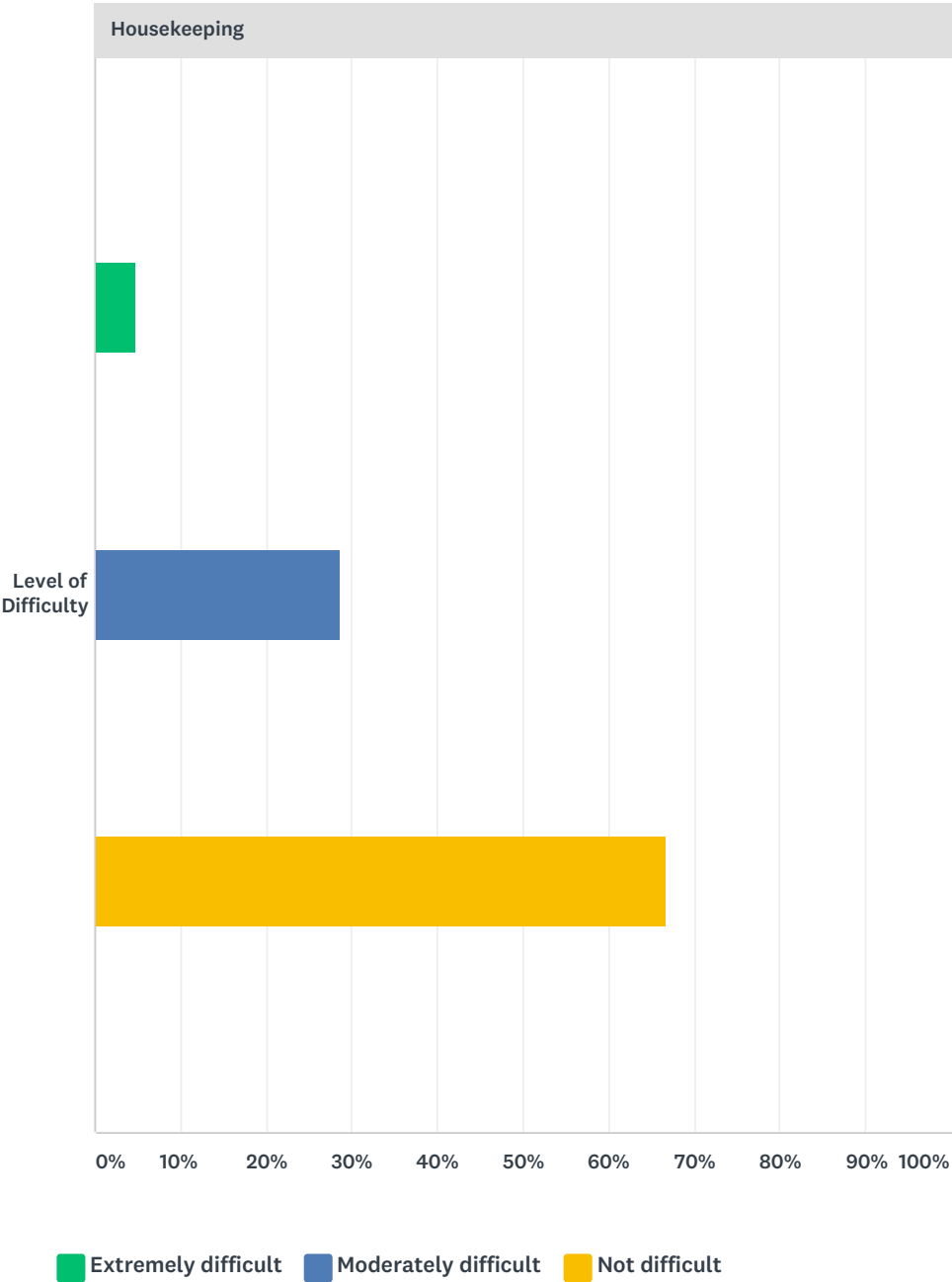
Q9 If housekeeping and maintenance services were readily available for a fee or you had the option to move to a new low-maintenance housing unit in North Frontenac, what form of accommodation would you most prefer?

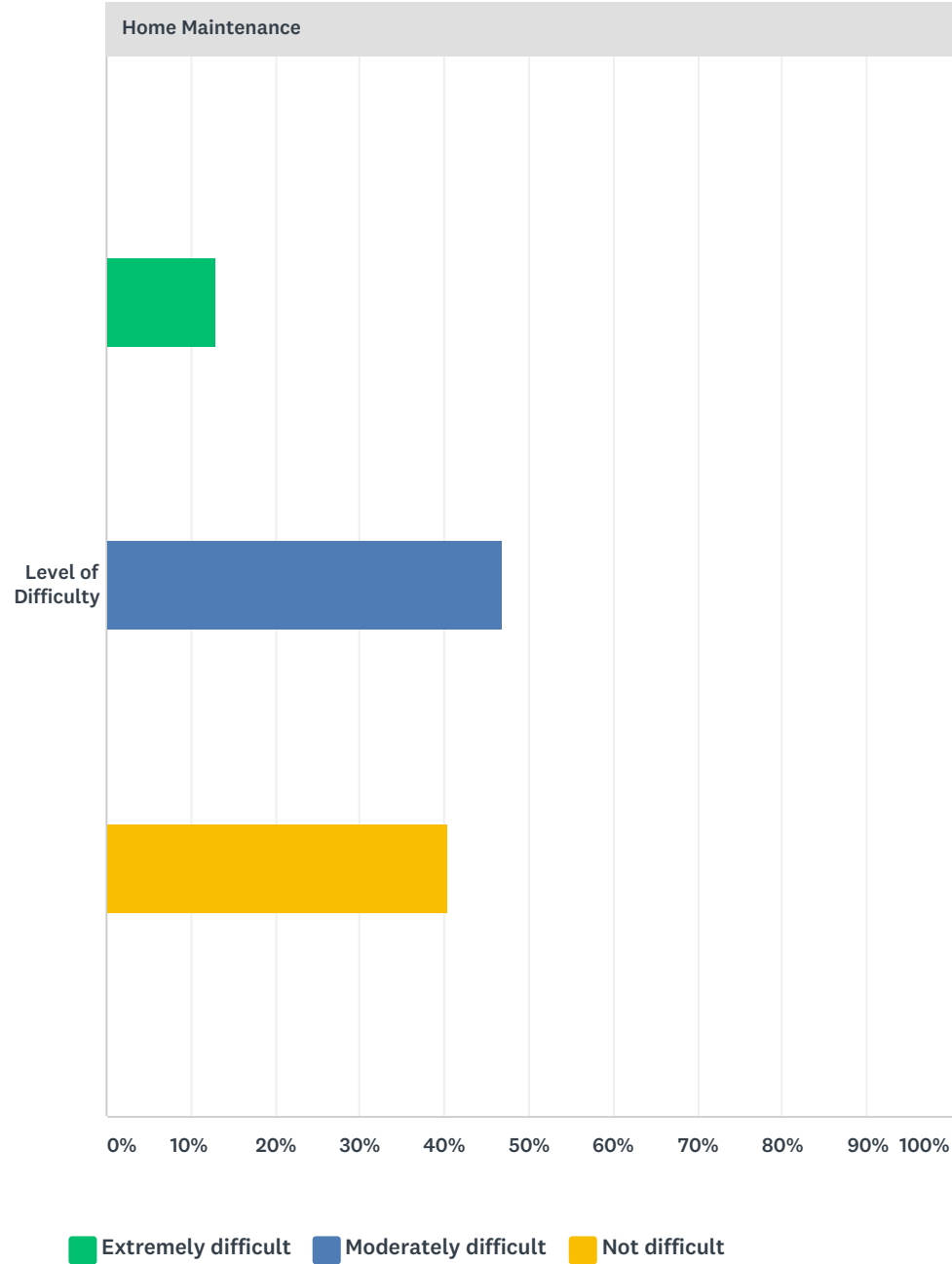


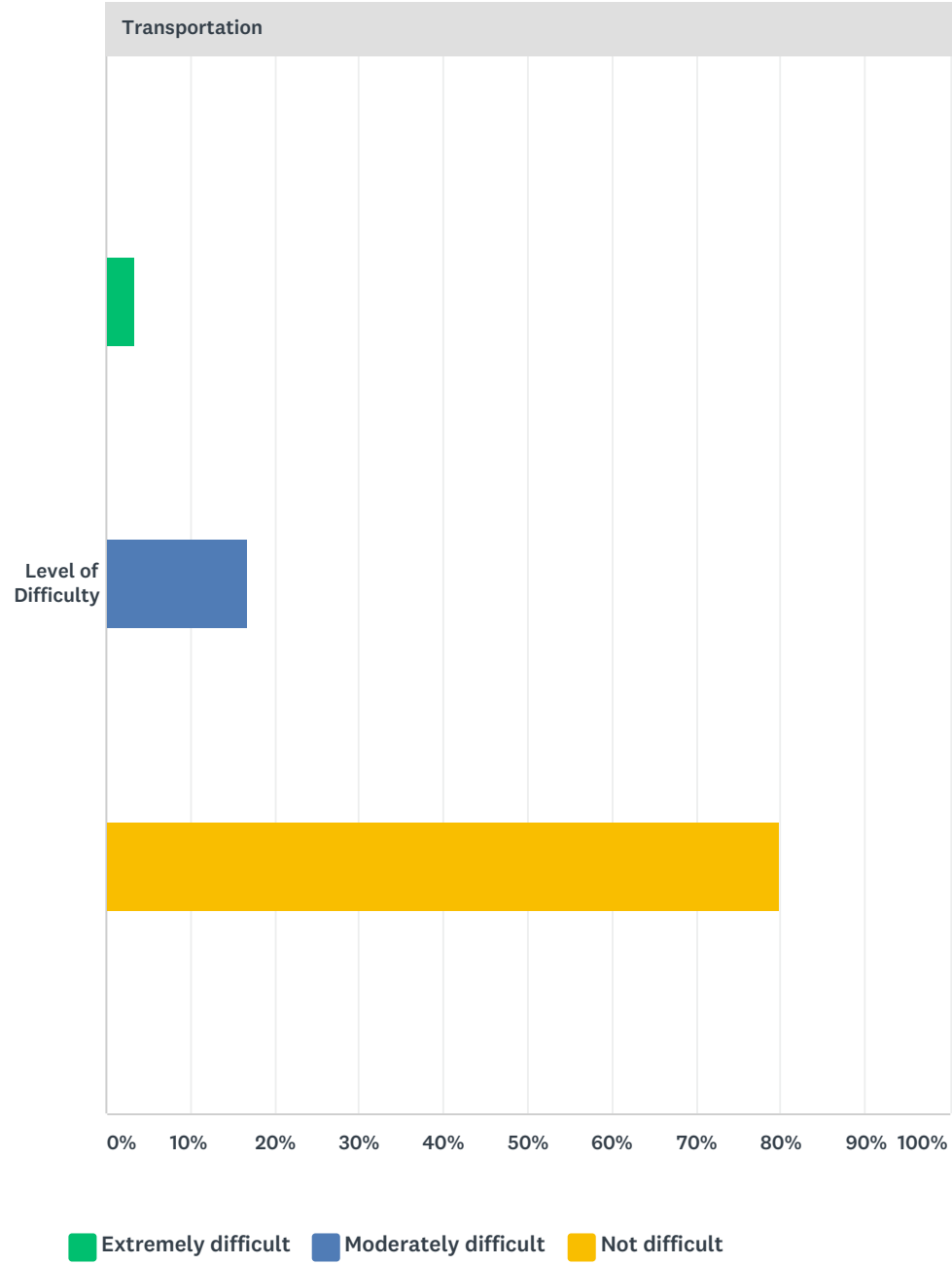
ANSWER CHOICES	RESPONSES	
Stay in Existing Home as-is; OR	31.75%	20
Stay in Existing Home and access available services; OR	44.44%	28
Move to Low-Maintenance Housing Unit	26.98%	17
Total Respondents: 63		

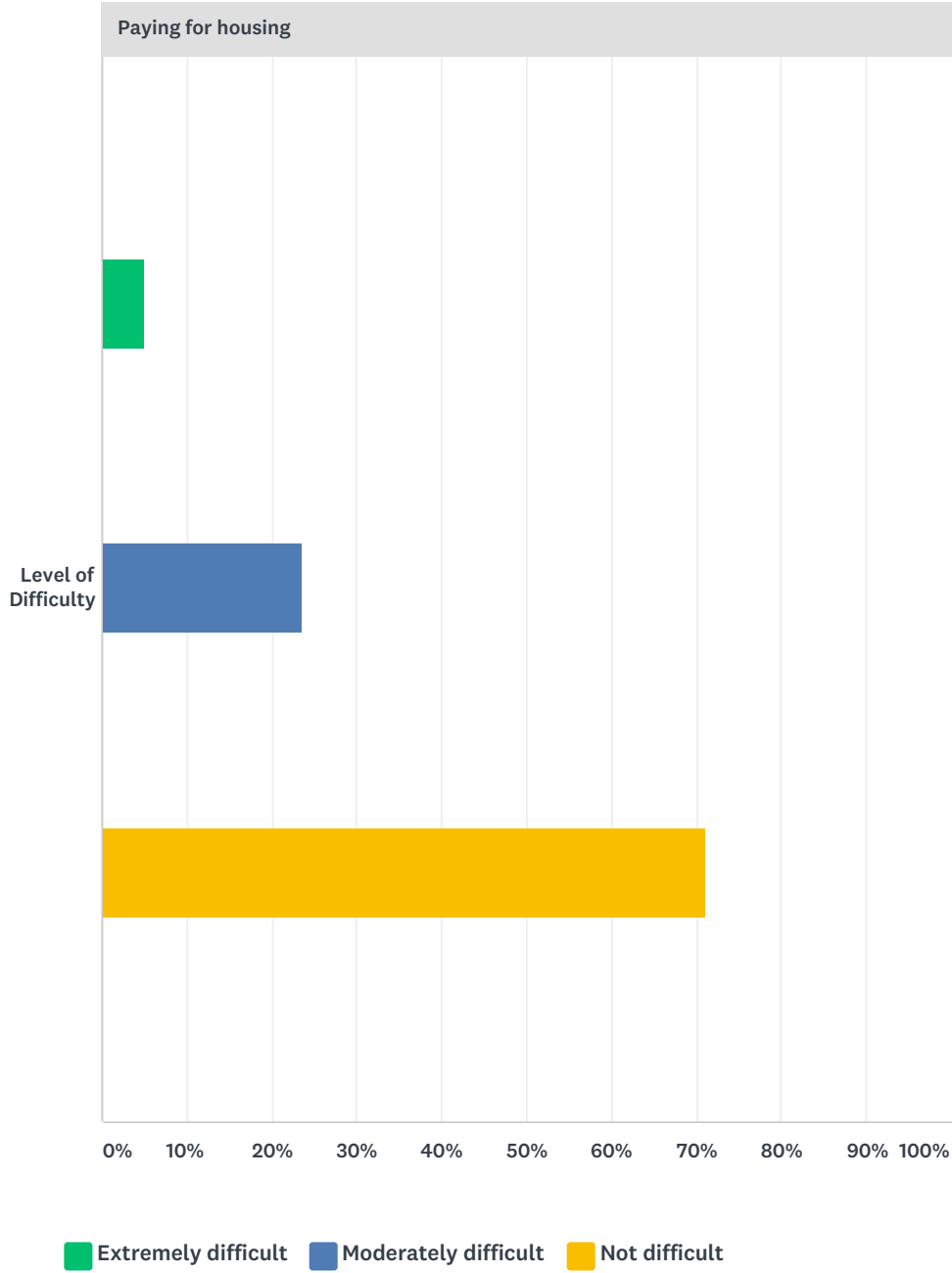
Q10 How difficult do you find the following activities?

Answered: 63 Skipped: 6









Housekeeping				
	EXTREMELY DIFFICULT	MODERATELY DIFFICULT	NOT DIFFICULT	TOTAL
Level of Difficulty	4.76% 3	28.57% 18	66.67% 42	63

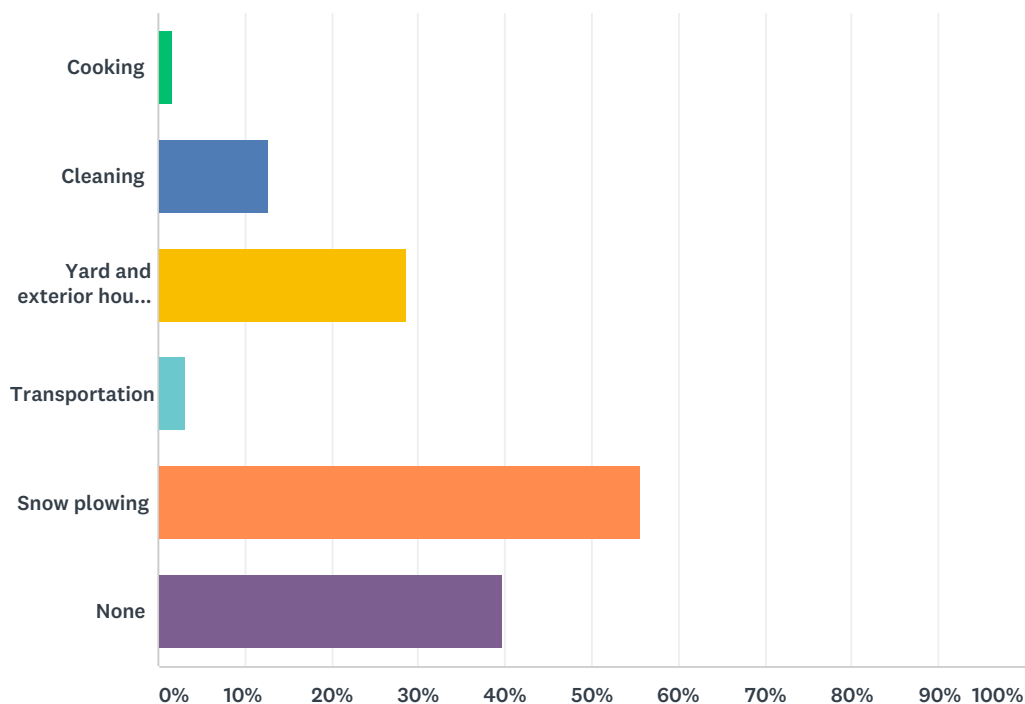
Home Maintenance				
	EXTREMELY DIFFICULT	MODERATELY DIFFICULT	NOT DIFFICULT	TOTAL
Level of Difficulty	12.90% 8	46.77% 29	40.32% 25	62

Transportation				
	EXTREMELY DIFFICULT	MODERATELY DIFFICULT	NOT DIFFICULT	TOTAL
Level of Difficulty	3.33% 2	16.67% 10	80.00% 48	60

Paying for housing				
	EXTREMELY DIFFICULT	MODERATELY DIFFICULT	NOT DIFFICULT	TOTAL
Level of Difficulty	5.08% 3	23.73% 14	71.19% 42	59

Q11 Are you currently getting outside assistance with any of these services? (please select all applicable)

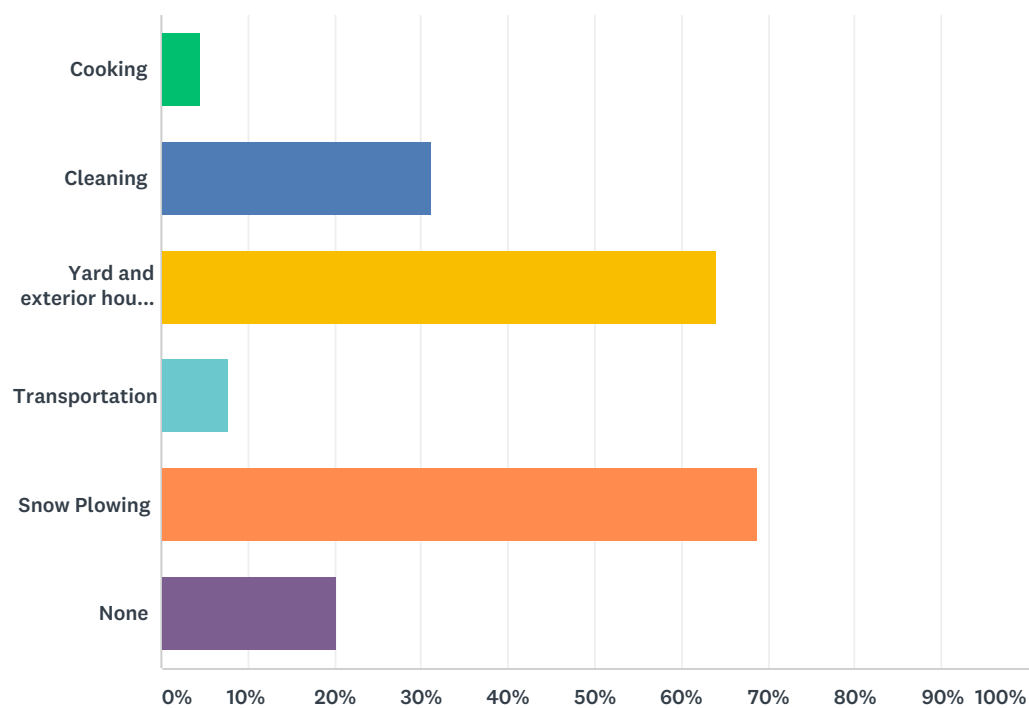
Answered: 63 Skipped: 6



ANSWER CHOICES	RESPONSES	
Cooking	1.59%	1
Cleaning	12.70%	8
Yard and exterior house maintenance	28.57%	18
Transportation	3.17%	2
Snow plowing	55.56%	35
None	39.68%	25
Total Respondents: 63		

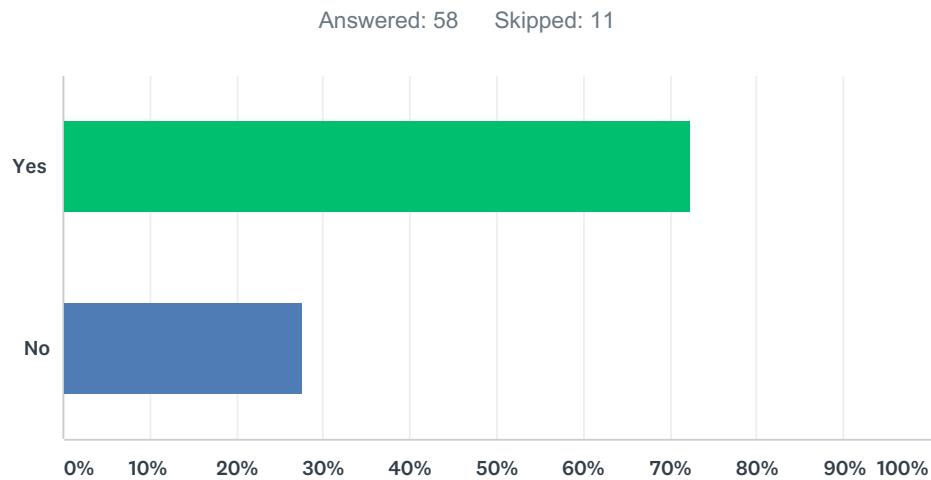
Q12 Do you expect you will need help with any of the following services in the near future? (please select all applicable)

Answered: 64 Skipped: 5



ANSWER CHOICES	RESPONSES	
Cooking	4.69%	3
Cleaning	31.25%	20
Yard and exterior house maintenance	64.06%	41
Transportation	7.81%	5
Snow Plowing	68.75%	44
None	20.31%	13
Total Respondents: 64		

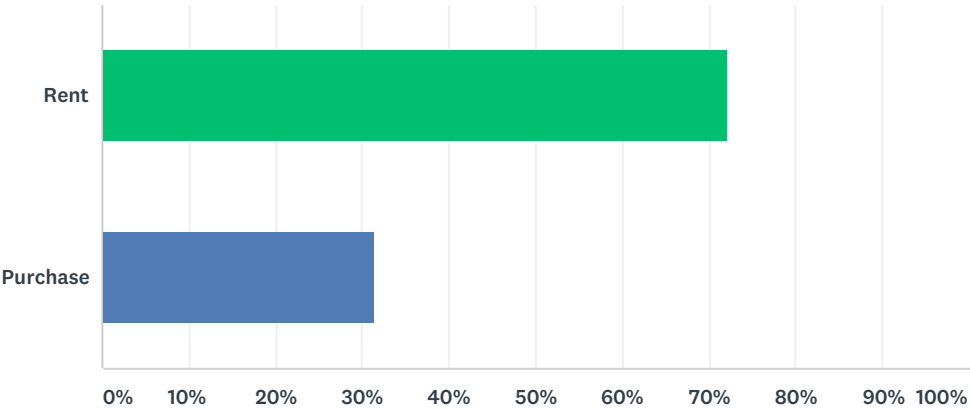
Q13 If available, would you use a central agency to get access to these services?



ANSWER CHOICES	RESPONSES	
Yes	72.41%	42
No	27.59%	16
Total Respondents: 58		

Q14 If the opportunity for a Low-Maintenance Housing Unit was available, would you be interested in renting or purchasing?

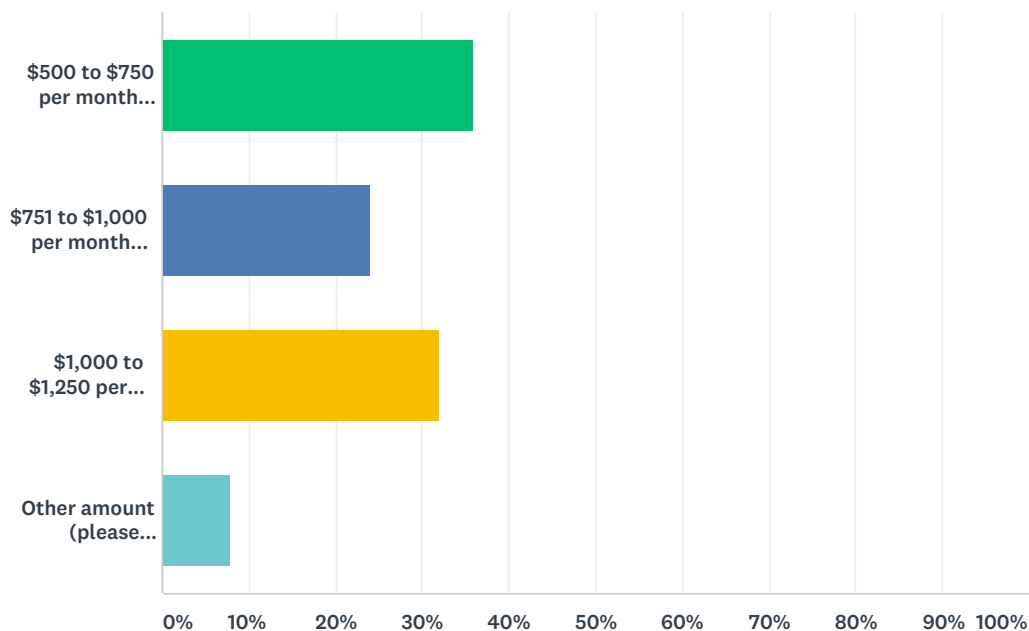
Answered: 54 Skipped: 15



ANSWER CHOICES	RESPONSES	
Rent	72.22%	39
Purchase	31.48%	17
Total Respondents: 54		

Q15 How much would you be willing to pay monthly for senior's housing?

Answered: 50 Skipped: 19

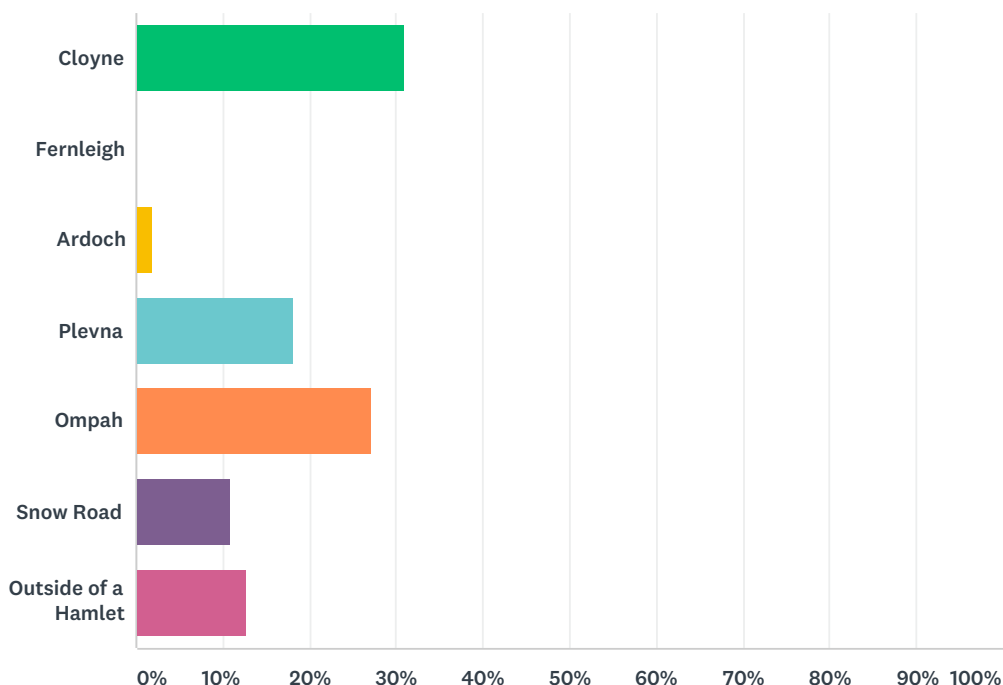


ANSWER CHOICES		RESPONSES	
\$500 to \$750 per month (household income of \$20,000 to \$30,000 per year)		36.00%	18
\$751 to \$1,000 per month (household income of \$30,001 to \$40,000 per year)		24.00%	12
\$1,000 to \$1,250 per month (household income of \$40,001 to \$50,000 per year)		32.00%	16
Other amount (please specify)		8.00%	4
Total Respondents: 50			

#	OTHER AMOUNT (PLEASE SPECIFY)	DATE
1	up to \$1500 but depends on inclusions	3/26/2018 10:16 AM
2	Ownership and pay	3/26/2018 9:32 AM
3	400 would like to have money to travel if Abu.	3/19/2018 1:18 PM
4	The price I would be will to pay would I	3/19/2018 10:59 AM

Q16 Which Hamlet would you prefer the location of the housing unit to be?

Answered: 55 Skipped: 14



ANSWER CHOICES	RESPONSES	
Cloyne	30.91%	17
Fernleigh	0.00%	0
Ardoch	1.82%	1
Plevna	18.18%	10
Ompah	27.27%	15
Snow Road	10.91%	6
Outside of a Hamlet	12.73%	7
Total Respondents: 55		

A few respondents added additional comments as follows:

- “recommend building by Pine Meadow Nursing Home”
 - “near Pine Meadow best idea”
 - “none - put money into assistance for low income pensioners living in their own homes”
- Note: there are RGI and Nursing home facilities located in Northbrooke, near Cloyne