

3. DESIGNATING AFFORDABLE HOUSING PROJECTS AT 92 FLORENCE STREET AND 254 & 256 ST-DENIS STREET AS MUNICIPAL CAPITAL HOUSING FACILITIES EXEMPT FROM PROPERTY TAXES AND EXTENDING THE MUNICIPAL CAPITAL FACILITY DESIGNATION OF OTTAWA COMMUNITY HOUSING CORPORATION'S HEAD OFFICE AT 39 AURIGA DRIVE

DÉSIGNATION DES PROJETS DE LOGEMENT ABORDABLE SITUÉ À 92 RUE FLORENCE ET 254 & 256 RUE ST. DENIS COMME ENSEMBLES DOMICILIAIRES MUNICIPAUX EXONÉRÉS D'IMPÔT ET PROLONGATION DE LA DÉSIGNATION D'IMMOBILISATION MUNICIPALE DU SIÈGE SOCIAL DE LA SOCIÉTÉ DE LOGEMENT COMMUNAUTAIRE D'OTTAWA POUR LE 39, PROMENADE D'AURIGA

COMMITTEE RECOMMENDATIONS

That Council approve the following:

- 1. Designate 92 Florence Street and 254 & 256 St-Denis Street as municipal capital housing facilities as permitted under Section 110 of the *Municipal Act, 2001* and as defined in section 2(1)18. of the Ontario Regulation 603/06 as amended;**
- 2. Implement this designation by a Municipal Capital Facilities Agreement (MCFA) between the City of Ottawa and the identified housing providers for each property (Document 1) and enact the associated by-law (Document 2);**
- 3. Approve the amendment to the Municipal Capital Facility By-law 2007-477 and associated Municipal Capital Facility Agreement (MCFA) for 39 Auriga Drive, being the head office of Ottawa Community Housing Corporation, to extend the term to December 31, 2042, or until the property ceases to operate and provide the same services under the provisions of the MCFA at this location, whichever event occurs first.**
- 4. Authorize the Chief Financial Officer/City Treasurer to conclude and execute all necessary agreements as described in this report.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil approuve ce qui suit:

- 1. De désigner les immeubles se trouvant au 92, rue Florence et aux 254 et 256, rue St-Denis comme immobilisations domiciliaires municipales en vertu de l'article 110 de la Loi de 2001 sur les municipalités et aux termes de la disposition 2 (1) 18 du Règlement de l'Ontario 603/06 dans sa dernière version; et**
- 2. D'officialiser cette désignation par le truchement d'un accord relatif aux immobilisations municipales entre la Ville d'Ottawa et les fournisseurs de logements retenus pour ces propriétés (document 1) et adopter un règlement municipal à cet effet (document 2); et**
- 3. D'approuver la modification du Règlement sur les immobilisations municipales (no 2007-477) et de l'accord associé pour le 39, promenade Auriga, étant le siège social de la Société de logement communautaire d'Ottawa, afin de pouvoir prolonger cet accord jusqu'au 31 décembre 2042 ou jusqu'à ce que la propriété cesse d'être exploitée et que les services prévus cessent d'y être offerts selon ce que prévoit ledit accord si cette éventualité survient avant; et**
- 4. D'autoriser la cheffe des finances et trésorière de la Ville à conclure et à signer tous les accords nécessaires dont il est question dans le présent rapport.**

DOCUMENTATION/DOCUMENTATION

1. General Manager's report, Community and Social Services, dated April 22, 2022, (ACS2022-CSS-GEN-010)

Rapport de la Directrice générale, Services sociaux et communautaires, daté le 22 avril 2022, (ACS2022-CSS-GEN-010)

**Subject: DESIGNATING AFFORDABLE HOUSING PROJECTS AT 92
FLORENCE STREET AND 254 & 256 ST-DENIS STREET AS MUNICIPAL CAPITAL
HOUSING FACILITIES EXEMPT FROM PROPERTY TAXES AND EXTENDING THE
MUNICIPAL CAPITAL FACILITY DESIGNATION OF OTTAWA COMMUNITY
HOUSING CORPORATION'S HEAD OFFICE AT 39 AURIGA DRIVE**

File Number: ACS2022-CSS-GEN-010

Report to Finance and Economic Development Committee on 3 May 2022

and Council 11 May 2022

**Submitted on April 22, 2022 by Donna Gray, General Manager – Community and
Social Services**

Contact Person: Saide Sayah, Acting Director, Housing Services

613-580-2424 x16366, saide.sayah@ottawa.ca

Wards: Somerset (14), Rideau-Vanier (12), Knoxdale-Merivale (9)

**Objet : DÉSIGNATION DES PROJETS DE LOGEMENT ABORDABLE SITUÉ
À 92 RUE FLORENCE ET 254 & 256 RUE ST. DENIS COMME ENSEMBLES
DOMICILIAIRES MUNICIPAUX EXONÉRÉS D'IMPÔT ET PROLONGATION DE LA
DÉSIGNATION D'IMMOBILISATION MUNICIPALE DU SIÈGE SOCIAL DE LA
SOCIÉTÉ DE LOGEMENT COMMUNAUTAIRE D'OTTAWA POUR LE 39,
PROMENADE D'AURIGA**

Dossier : ACS2022-CSS-GEN-010

Rapport au Comité des finances et du développement économique

le 3 mai 2022

et au Conseil le 11 mai 2022

**Soumis le 22 avril 2022 par Donna Gray, Directrice générale – Services sociaux
et communautaires**

Personne ressource : Saide Sayah, directeur intérimaire, Services de logement

613-580-2424 poste 16366, saide.sayah@ottawa.ca

Quartiers : Somerset (14), Rideau-Vanier (12), Knoxdale-Merivale (9)

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council approve the following:

1. Designate 92 Florence Street and 254 & 256 St-Denis Street as municipal capital housing facilities as permitted under Section 110 of the *Municipal Act, 2001* and as defined in section 2(1)18. of the Ontario Regulation 603/06 as amended;
2. Implement this designation by a Municipal Capital Facilities Agreement (MCFA) between the City of Ottawa and the identified housing providers for each property (Document 1) and enact the associated by-law (Document 2);
3. Approve the amendment to the Municipal Capital Facility By-law 2007-477 and associated Municipal Capital Facility Agreement (MCFA) for 39 Auriga Drive, being the head office of Ottawa Community Housing Corporation, to extend the term to December 31, 2042, or until the property ceases to operate and provide the same services under the provisions of the MCFA at this location, whichever event occurs first.
4. Authorize the Chief Financial Officer/City Treasurer to conclude and execute all necessary agreements as described in this report.

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil d'approuver ce qui suit:

1. Désigner les immeubles se trouvant au 92, rue Florence et aux 254 et 256, rue St-Denis comme immobilisations domiciliaires municipales en vertu de l'article 110 de la *Loi de 2001 sur les municipalités* et aux termes de la disposition 2 (1) 18 du Règlement de l'Ontario 603/06 dans sa dernière version; et

2. **Officialiser cette désignation par le truchement d'un accord relatif aux immobilisations municipales entre la Ville d'Ottawa et les fournisseurs de logements retenus pour ces propriétés (document 1) et adopter un règlement municipal à cet effet (document 2); et**
3. **Approuver la modification du *Règlement sur les immobilisations municipales* (n° 2007-477) et de l'accord associé pour le 39, promenade Auriga, étant le siège social de la Société de logement communautaire d'Ottawa, afin de pouvoir prolonger cet accord jusqu'au 31 décembre 2042 ou jusqu'à ce que la propriété cesse d'être exploitée et que les services prévus cessent d'y être offerts selon ce que prévoit ledit accord si cette éventualité survient avant; et**
4. **Autoriser la cheffe des finances et trésorière de la Ville à conclure et à signer tous les accords nécessaires dont il est question dans le présent rapport.**

BACKGROUND

92 Florence Street and 254 & 256 St-Denis Street

To mitigate impacts of the COVID-10 pandemic, the federal and provincial governments allocated significant operating and capital funding to the City. The capital funding was provided for the purpose of building permanent housing to help address urgent housing needs of people and populations who are vulnerable. The capital funding was issued under two programs: the Rapid Housing Initiative (round 1 and 2) and the Social Services Relief Fund (phase 2 and 4).

Rapid Housing Initiative

Rapid Housing Initiative (RHI) funding was allocated in two rounds, the first in November 2020 and the second in July 2021. Round 1 required the construction of at least 83 modular housing units within 12 months. 30% of the constructed units were required to be made available for women and 15% were to be made available for urban Indigenous peoples. Council provided delegated authority to staff on November 25, 2020 to identify, select and fund the construction of units that met the RHI requirements ([Motion No 44/21](#)). In this motion, staff were directed to bring forward a

Municipal Housing Capital Facility By-law to exempt property taxes for the supportive housing projects only.

Round 2 of the RHI required the construction of at least 58 new affordable housing units, still within 12 months, but not necessarily constructed using modular housing. Twenty-five percent of the units were to be women-focused and the City was requested to target 15% of the funding for urban Indigenous peoples. Council provided delegated authority to staff on July 21, 2021 to identify, select and fund the construction of units that met the RHI requirements ([Motion No 58/12](#)).

Social Services Relief Fund

Social Services Relief Funding (SSRF) was allocated in 4 phases, of which only phases 2 and 4 permitted investments in capital expenses for the creation of affordable housing units.

The objective of the capital component of the SSRF funding is to create longer-term housing solutions for people experiencing homelessness, better address the needs of those experiencing homelessness, and to encourage movement toward client service models that are innovative and seek to support client and organizational readiness in preparation for potential future outbreaks or emergencies.

Projects funded under Phase 2 of SSRF were required to be completed by December 31, 2021. All projects funded under this phase of SSRF are delayed and we have received extensions to the construction completion date by the Ministry of Municipal Affairs and Housing. Council provided delegated authority to staff on November 25, 2020 to approve the recommended capital projects under Phase 2 of SSRF ([Motion No 44/21](#)).

Projects funded under Phase 4 of SSRF are required to be completed by March 31, 2023. Council provided delegated authority to staff on September 21, 2021 to identify, select, and fund projects that met the requirements of the SSRF funding ([Motion No 60/5](#)).

Funded Projects

Funding from the RHI and the SSRF was committed to the following Projects: (all units meet the definition of affordable housing in By-law 2014-430, even if they are supportive. Supportive means additional services are provided to tenants).

Housing Provider	Project Address	# of Units and type of Housing	Funding Source	Target Populations	Occupancy Date (anticipated)	Exemption Recommended
SGH	145 Castlefrank	8 supportive	RHI 1	Seniors	March 2022	No, already exempt under the <i>Assessment Act</i>
SGH	216 Murray Street	48 supportive	RHI 1 (40 units) RHI 2 and SSRF (8 units)	Indigenous individuals	End of 2023	No, already exempt under the <i>Assessment Act</i>
JHS	494 Lisgar Street	29 supportive	RHI 1	Indigenous women	Mid 2023	No, eligible for exemption under the <i>Assessment Act</i>
SGH	1095 Merivale Road	57 supportive	SSRF		End of 2022	No, eligible for an exemption under the <i>Assessment Act</i>
OCHC	3380 Jockvale	32 affordable	RHI 1 and	Mixed affordable	End of 2023	No – this property

	Road		SSRF	housing		will be added to OCHC's MCFA
Holland Properties Association	92 Florence Street	9 supportive	SSRF	Individuals exiting homelessness	End of 2022	Yes
Cornerstone	44 Eccles Street	46 supportive	RHI 2 and SSRF	Women exiting homelessness	Mid 2023	No, eligible for exemption under the <i>Assessment Act</i>
Gignul	256 St-Denis Street	6 affordable	RHI 2	Indigenous households	Mid 2023	Yes
Gignul	254 St-Denis Street	6 affordable	RHI 2	Indigenous households	Mid 2023	Yes

These projects are being recommended for designation as municipal capital facilities and exempt from municipal and school property taxes, as the level of affordability required is deeper than the usual rent requirement of 80% of Average Market Rent, as determined by CMHC, which is typical for housing funded with the Investment in Affordable Housing, the Ontario Priorities Housing Initiative and the City's Housing and Homelessness Investment Plan.

The RHI and SSRF funded housing projects require rents to be much lower at 30% of the household income or the shelter benefit amount provided by Ontario Disability Support Program or Ontario Works (whichever is higher and applicable for the household). This means the rent charged is likely to be much less than 80% of Average Market Rent. While this is beneficial for the household, it does put an additional strain on the financial viability of the project since it does not generate as much rental income.

This higher depth of affordability and resulting reduction of rental income is the impetus for the recommendation of the tax exemption.

The properties at 145 Castlefrank Road and 216 Murray Street, both owned by Shepherds of Good Hope, already have tax exempt status. Further, staff are not seeking an exemption for OCHC's property at 3380 Jockvale Road, as it will be added to OCHC's existing Municipal Capital Facilities By-law. Shepherds of Good Hope, John Howard Society of Ottawa, and Cornerstone Housing for Women all have charitable status and are eligible for exemptions under the *Assessment Act* so are not recommended to be designated as municipal capital facilities.

Municipal Capital Facilities Agreement

Subsections 110(1), (6), and (7) of the *Municipal Act, 2001*, along with sections 2 and 7 of Ontario Regulation 603/06 authorize a municipal council to enter into Municipal Capital Facilities Agreements (MCFA) with certain types of organizations to exempt the property from municipal and education taxes, as applicable, in exchange for the provision of services outlined in the agreement.

To enter into a municipal capital facility agreement in respect of municipal housing project facilities,

- The City must enact a municipal housing facility by-law. In January 2006, the City enacted By-law No. 2006-1.
- The property must meet the definition of affordable housing. The definition of affordable housing was amended in 2014 when Council designated Ottawa Community Housing Corporation's affordable housing stock as Municipal Capital Facilities exempt from municipal and school property taxes. The definition of Affordable Housing, as amended in By-law 2014-430, is as follows:

"The definition of affordable housing for the purpose of a municipal housing project facilities agreement means a housing unit with a monthly occupancy cost at or below average monthly City-wide rents by unit type, for any calendar year, as determined in the annual survey of City-wide rents for the prior calendar year published by the Canada Mortgage and Housing Corporation. If the Canada Mortgage and Housing Corporation does not publish an annual survey of City-

wide rents for the prior calendar year, the average monthly City-wide rents for the calendar year shall be determined by the Administrator, Housing Services.”

Staff recommend the following projects be exempted from municipal and education taxes through a Municipal Capital Facilities Agreement:

- 254 & 256 St-Denis Street – Gignul Non-Profit Housing Corporation
- 92 Florence Street – Holland Properties Association

39 Auriga Drive – Ottawa Community Housing Corporation

In 2000, the *Social Housing Reform Act* designated the City as Service Manager to provide for the efficient and effective administration of housing programs. The City, in its role as Service Manager pursuant to the *Social Housing Reform Act*, has delegated to Ottawa Community Housing Corporation (OCHC) its responsibility for managing and providing housing services and related housing programs.

Section 110 of the *Municipal Act, 2001* authorizes Council to enter into Municipal Capital Facilities Agreements (MCFA) with organizations providing services that would otherwise be provided by the City. As OCHC owns and solely occupies the corporate headquarters located at 39 Auriga Drive, and the purpose of the facility is to provide a head office to OCHC to manage and provide social housing services to the City of Ottawa pursuant to the *Social Housing Reform Act*, it is eligible to be designated as a Municipal Capital Facility.

On November 20, 2007, Council approved the designation of 39 Auriga Drive as a municipal capital facility and the City entered into an MCFA with OCHC dated January 1, 2008, for a period of 15 years, or until OCHC ceases to operate and/or provide services to the City under the provisions of the agreement. The 15-year period ends December 31, 2022, and as OCHC still operates 39 Auriga Drive as their corporate headquarters, staff recommend Council approve an extension to the MCFA for an additional 20 years or until OCHC ceases to operate at this location.

DISCUSSION

Gignul Non-Profit Housing Corporation

The current value assessment (“**CVA**”) taxes collected in 2021 for 256 St-Denis Street was \$5,569.90, of which \$4,806.46 is Municipal tax.

The Committee of Adjustment approved a consent application to sever 256 St-Denis Street into two lots to allow for the development of two six-unit stacked dwellings. As such, the taxes collected in 2021 for 256 St-Denis Street include the portion that was severed off to create 254 St-Denis Street.

Holland Properties Association

The current value assessment (“**CVA**”) taxes collected in 2021 for 92 Florence Street was \$5,257.37, of which \$4,536.74 is Municipal tax.

The total property taxes collected in 2021 for the above-noted properties amount to 10,827.27 of which \$9,343.20 is Municipal Taxes.

The savings generated from a property tax exemption will allow these housing providers to reinvest in their operating budgets for these projects, which will help to offset the amount of operating funding required from the City.

For the above-noted housing providers to qualify for property tax exemption under By-law 2006-1, they must identify the eligible units within each of their buildings and/or confirm that all units, rent-geared-to-income and market-rent, have rents that meet the definition of “affordable housing” as set out in the City’s Municipal Housing Facilities By-law 2006-1, as amended by By-law 2014-430.

By-law 2006-1 also includes various terms and conditions for municipal capital facility agreements related to municipal housing facilities. These include the following:

- a. a minimum twenty year term;
- b. each unit in the municipal housing project facilities shall meet the definition of affordable housing;
- c. the City may register the agreement on title;
- d. the municipal housing project facilities agreement shall be binding on the housing provider’s heirs, successors and assigns;

- e. a list of the benefits being conveyed to the housing provider, including their monetary value;
- f. if the housing provider does not carry out its obligations under the agreement, the housing provider shall pay to the City up to the full amount of the benefits conveyed under the agreement, together with any applicable costs and interest; and
- g. the City may register a security against title to ensure that the municipal capital facility stays within the definition of affordable housing for the term of the agreement;

With the approval of this Report, effective May 11, 2022, Council delegates authority to the Chief Financial Officer/Treasurer to enter into municipal capital facility agreements with the properties at 254 & 256 St-Denis Street and 92 Florence Street effective May 11, 2022.

One of the priorities in the 10 Year Housing and Homelessness Plan is to increase access to housing affordability. This is one important initiative to lower the ongoing operating costs for housing providers to ensure they can maintain affordable rents.

Ottawa Community Housing Corporation

On November 20, 2007, Council designated the corporate headquarters of Ottawa Community Housing Corporation (OCHC) at 39 Auriga Drive as a Municipal Capital Facility, making it exempt from taxes for municipal and school purposes. This report recommends that the Municipal Capital Facility designation for OCHC at 39 Auriga Drive be extended. This extends the tax exemption for OCHC's head office for the provision of community housing services, as permitted under Subsection 110(6) of the *Municipal Act 2001*, as defined in clause 2 (1) 10 of Ontario Regulation 603/06 as amended.

The property at 39 Auriga Drive is owned by OCHC and is entirely occupied and used for a service or function that may be provided by the municipality. As OCHC owns and solely occupies the building located at 39 Auriga Drive and the purpose of this facility is to provide community housing services to the City of Ottawa, it is eligible to be designated as a Municipal Capital Facility. To satisfy requirements of the *Municipal Act, 2001*, and in recognition that OCHC provides this essential social service, the report

recommends extending the term until December 31, 2042, or until it ceases to operate and provide the same services under the provisions of the MCFA at that location, whichever occurs first.

The City will amend the Municipal Capital Facility By-law and associated Municipal Capital Facility Agreement to reflect an extension to December 31, 2042. Upon approval of this report, the Chief Financial Officer/City Treasurer will finalize and execute the amended Municipal Capital Facilities Agreement in consultation with the City Solicitor. The City Solicitor will place the amending Municipal Capital Facility By-law on the agenda of Council for enactment.

Staff recommend that Council approve the amendment to the Municipal Capital Facility By-law 2007-477 and associated Municipal Capital Facility Agreement to extend the term to December 31, 2042, or until the property ceases to operate and provide the same community housing services.

RURAL IMPLICATIONS

There are no rural implications.

CONSULTATION

Housing Services consulted with the not-for-profit housing providers impacted by this report.

LEGAL IMPLICATIONS

There are no legal impediments to the implementation of the report recommendations.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the report recommendations.

ACCESSIBILITY IMPACTS

There are no accessibility impacts

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

TERM OF COUNCIL PRIORITIES

The recommendations in this report support Council's priority to create thriving communities by increasing access to affordable housing.

SUPPORTING DOCUMENTATION

Document 1 – Draft Municipal Capital Facilities Agreement – to be entered into with each housing provider identified in the table within the report.

Document 2 - Draft Municipal Capital Facility By-Law

DISPOSITION

Legal Services Branch to finalize the Municipal Capital Facility Agreements for execution and place the municipal capital facility by-law for the identified supportive and affordable housing projects funded under the Rapid Housing Initiative and the Social Services Relief Fund the agenda of Council for enactment as well as the amending by-law for the term extension at 39 Auriga Drive.

The Chief Financial Officer/Treasurer provides the executed Municipal Capital Facility Agreements to the Municipal Property Assessment Corporation to implement the exemption.

Document 1

MUNICIPAL CAPITAL FACILITIES AGREEMENT dated the XXXX, 2022.

BETWEEN:

CITY OF OTTAWA

(the “City”)

AND:

[HOUSING PROVIDER (the “**Housing Provider**”)]

WHEREAS:

- A. The Provider is owner of the lands municipally known as [insert municipal address] and legally described in Annex “A” hereto (the “Lands”);
- B. By way of a contribution agreement dated [insert] between the City and the Housing Provider, administers and operates affordable housing on the Lands (“contribution agreement”);
- C. the Housing Provider wishes, pursuant to Section 110 of the Municipal Act, 2001, to enter into an Agreement with the City for use of the Lands as municipal capital facilities;
- D. The City wishes, pursuant to Section 110 of the Municipal Act, 2001, to exempt the Lands from taxation for municipal and school purposes;
- E. The Lands will be used for the provision of municipal housing project facilities, which is an eligible class of municipal capital facilities described in section 2(1) 18. of the Ontario Regulation 603/06, as amended;

THEREFORE, in consideration of the making of this Agreement and the mutual covenants contained herein, the parties undertake, covenant and agree as follows:

DESIGNATION

1. The City has by by-law (substantially in the form attached as Annex “B”) designated the Lands as municipal capital facilities.

TERM

2. The term of this Agreement and the designation of the Lands as a municipal capital facility shall be from May 11, 2022 to the earliest of:
 - (a) the day the Housing Provider ceases to use the Lands as municipal capital facilities as defined in section 110 of the *Municipal Act, 2001* and Ontario Regulation 603/06 as amended;
 - (b) the day the Housing Provider ceases to use the Lands in compliance with the provisions respecting municipal housing project facilities agreements in City of Ottawa By-law No. 2006-1, as amended;
 - (c) the day the Housing Provider ceases to occupy the Lands without having assigned the Agreement to a person approved by the City in accordance with this Agreement and the requirements of By-law No. 2006-1, as amended;
 - (d) the day the Housing Provider or its successor in law ceases to use the Lands for the purposes of municipal housing project facilities and affordable housing in accordance with the provisions in City of Ottawa By-law No. 2006-1, as amended; and /or
 - (e) this Agreement or the contribution agreement being terminated for any reason.

TAX EXEMPTION

3. The City shall, pursuant to subsection 110(6) of the *Municipal Act, 2001*, exempt the Lands from property taxation for municipal and school purposes.

ZONING

4. For the purposes of clarity, the City acknowledges and agrees that neither this Agreement nor the by-law shall in any way affect the zoning of the Lands or the permitted uses of the Lands under applicable laws.

REGISTRATION

5. The by-law referred to in section 1 of this Agreement may be registered by the City on title of the Lands.

OBLIGATIONS AS COVENANTS

6. Each obligation expressed in this Agreement, even though not expressed as a covenant, is considered to be a covenant for all purposes.

ENTIRE AGREEMENT

7. This Agreement contains all the covenants, agreements and understandings between the parties concerning its subject matter.

ENUREMENT

8. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and permitted assigns.

PARTIAL INVALIDITY

9. If any provision of this Agreement or the application of it to any person or circumstances is held to any extent invalid or unenforceable, the remainder of this Agreement or the application of the provisions to persons or circumstances other than those as to which it is held invalid or unenforceable is not affected.

FURTHER ASSURANCES

10. The parties shall do and execute all such further acts, deeds, instruments or things as may be necessary or desirable for the purpose of carrying out the intent of this Agreement.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

CITY OF OTTAWA

Per: _____

Name:

Title: City Treasurer

[The Housing Provider]

Per: _____

Name:

Title:

I have authority to bind the Corporation.

ANNEX “A”

Legal Description of Lands

[define the lands for each affordable housing project]

DOCUMENT 2

BY-LAW NO. 2022-____

A by-law of the City of Ottawa to provide for municipal housing project facilities and an exemption from taxation for municipal and school purposes for the municipal capital facilities for affordable housing located on three properties owned by Gignul Non-Profit Housing Corporation and Holland Properties Association.

WHEREAS subsection 110(1) of the *Municipal Act, 2001*, S.O 2001, c. 25, as amended, allows municipalities to enter into agreements for the provision of municipal capital facilities by any person;

AND WHEREAS Ontario Regulation 603/06, as amended, prescribes municipal housing projects as eligible municipal capital facilities;

AND WHEREAS, pursuant to clause 7(1)(a) of the said Ontario Regulation 603/06, as amended, before a by-law authorizing an agreement respecting municipal housing project facilities is enacted, a municipal housing facility by-law which complies with the requirements set out in that Regulation must be enacted;

AND WHEREAS Council satisfied that requirement on January 11, 2006 by enacting and passing By-law No. 2006-1, entitled “A by-law of the City of Ottawa to provide for municipal housing facilities” and cited as the Municipal Housing Facilities by-law;

AND WHEREAS the City’s By-law No. 2006-1 provides that the City may enter into agreement for the provision of affordable housing as a municipal facility and that the City may exempt from taxation for municipal and school purposes land or a portion of it on which the municipal housing project facilities are or will be located;

AND WHEREAS Council approved an exemption from taxation for municipal and school purposes for all affordable housing units within the various housing projects operated by Gignul Non-Profit Housing Corporation and Holland Properties Association located at the premises described in Schedule “A” hereto (the “Premises”);

AND WHEREAS Council has authorized the City to enter into a municipal capital facility agreement with Gignul Non-Profit Housing Corporation and Holland

Properties Association setting out the terms and conditions of exemption from taxation for municipal and school purposes for the Premises;

NOW THEREFORE the Council of the City of Ottawa enacts as follows:

1. The City is authorized to enter into an agreement under section 110(1) of the *Municipal Act, 2001* with Holland Properties Association and Gignul Non-Profit Housing Corporation for the provision of municipal capital facilities for affordable housing at the Premises which meets the requirements of By-law No. 2006-1 (the "Agreement").
2. The land and municipal capital facilities of the Premises shall, subject to paragraph 3, be exempt from taxation for municipal and school purposes while this by-law is in force and so long as the Premises are used as a municipal capital facility, namely as affordable housing.
3. The by-law and the tax exemption referred to herein shall be effective from May 11, 2022 until:
 - a. Holland Properties Association or Gignul Non-Profit Housing Corporation ceases to occupy the Premises without having assigned the Agreement to a person approved by the City in accordance with the Agreement;
 - b. Holland Properties Association or Gignul Non-Profit Housing Corporation, or its successor in law, ceases to use the Premises for the purposes of affordable housing in accordance with City of Ottawa By-law No. 2006-1; and/or
 - c. the Agreement is terminated for any reason whatsoever.
4. This by-law may be cited as the RHI and SSRF Municipal Housing project Facilities and tax exemption By-law.

ENACTED AND PASSED this ____ day of _____, 2022.

CITY CLERK

MAYOR

SCHEDULE "A" Description of Premises

Properties or portions thereof which, effective May 11, 2022, meet the definition of affordable housing:

(to be set out in the enacted By-law)