

Conditional Offering Affordable Housing Developments

207 Parkside Drive, Hamilton

Project Objective

To enter into a long-term land lease agreement (the “Lease”) for an affordable Long-Term Care (“LTC”) housing development occupying a to-be defined portion of 207 Parkside Drive, Hamilton (the “Subject Site”) that:

- Advances the City’s [Housing and Homelessness Action Plan](#) and [Housing Sustainability and Investment Roadmap](#)
- Supports the creation of affordable rental housing that supports equality and equity for all Hamiltonians;
- Fosters holistic community development;
- Showcases excellence in urban design and high performance building construction;
- Integrates the new development with the existing neighbourhood.

Offering Parameters and Mandated Conditions

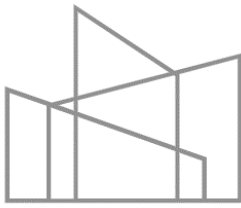
1. Financial Requirement

The Subject Site is being offered on the basis of a 29-year nominal land lease agreement with an annual rent to be negotiated based on the proposed total resident bedroom count and number of committed resident bedrooms.

2. Long Term Care Supply and Other Minimum Requirement Conditions

Any offer is conditional on the development of a long-term care home in accordance with Ministry of Long-Term Care (MLTC) standards and guidelines, with preferences towards affordability, and the following:

- a) Resident bedrooms within the development that meet the MLTC standards and guidelines shall be considered resident bedrooms by the City. The City will not accept offers that propose alternate definitions and must adhere to MLTC standards and guidelines.
- b) In all cases, submissions should provide concept(s) that illustrate and promote affordability where possible.
- c) [The maximum co-payment fee is to be determined by the Ministry of Long-term Care.](#) Co-payment fee increases to be determined by the MLTC.
- d) All offers must designate a team member as an “Administrator”, as per the [Fixing Long-Term Care Act](#), that has proven experience delivering, administering, and operating long-term care services in Canada.



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- e) Residents for the long-term care home must be drawn exclusively from the Ontario Health at Home waiting list.
- f) All submissions must be committed for a minimum term of 29 years, which shall be consistent with the negotiated Lease term.
- g) Preference will be given to projects that meet the minimum requirements, promote affordability, and are led by non-profit or charitable organizations.
- h) Alternate disposition structures will be considered for indigenous proponents.

3. Site Conditions

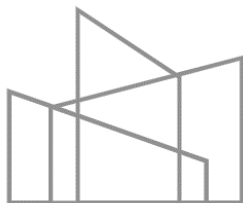
The Subject Site is being leased “as is”. The Tenant(s) shall be responsible for managing and funding the entire capital cost of all site condition requirements, including, but not limited to, any environmental issues, necessary on-site and off-site servicing, grading, geotechnical, trip generation letter etc.

Subject Site area, dimensions and access to be refined in conjunction with the City of Hamilton and Tenant(s), if proven necessary. Relevant easements to be identified during that process and subsequently identified in the Lease. The Tenant(s) agrees to mitigate all possible impacts to the neighbouring YMCA and Hamilton-Wentworth District School Board facilities, where possible.

4. Regulatory Requirements

This offering is being made available by the City as the Owner/Landlord of the lands. Any resultant contract shall not fetter the City's rights to regulate the use or improvement of the lands. The Submission must comply with existing land use regulations respecting the Subject Site. The Subject Site is designated I - Institutional in the Former Town of Flamborough By-law No. 90-145-Z. Preliminary modelling of the Subject Site has indicated that one 3-storey building with a minimum 70 resident beds could be accommodated.

Tenant(s) shall be responsible for meeting all applicable regulatory requirements imposed by any level of government or conservation authority. The Tenant(s) is responsible for minor variance, site plan and building permit applications and approval processes required to implement its development plan. As related to this offering, the City cannot guarantee any concessions to exempt the subject lands or development project from typical application fees, development charges, permitting requirements or taxation that may be applicable to the proposed project. Additional information related to existing programs and legislated exemptions for long-term care developments can be provided to proponents. The Tenant(s) will be responsible for ensuring that the eligibility requirements for any available incentive programs and/or exemptions are met.



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5. Additional Capital Funding

The City is willing to be named as a “co-investor” for any applications being made for upper-tier government capital funding or financing to build the long-term care housing development. However, only the value of the leased land may be counted as co-investment capital contributions if/when applying for upper-tier government loans or grants. A formal appraisal would be required at disposition to ascertain land value. It is the responsibility of the Tenant(s) to make appropriate accounting and legal arrangements to satisfy the funding agency’s application submission and due diligence requirements.

6. Obligation to Deliver

The Lease shall contain requirements for the provision of the resident bedrooms over the 29-year term, or longer as negotiated, based on preferences towards affordability, bedroom mix and lease tenure proposed by the Tenant(s). Development milestones shall be specified in the Lease to ensure timely delivery of the resident bedrooms. The entire development must be completed by no later than 4 years following the execution of the Lease unless it can be reasonably demonstrated that completion is imminent or that the delay is a result of extraordinary circumstances. Failure to deliver within this timeframe will constitute termination pursuant to the terms of the Lease.

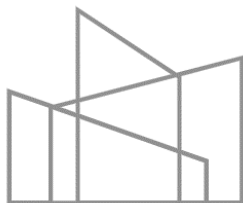
7. Reporting and Consent Requirements

Every three (3) months, the tenant(s) shall provide the City’s Corporate Real Estate Office with a written project progress update that includes projected milestones for land development, financing, construction, and operations management activities, with particular emphasis on specific steps that would require the City’s participation as a named co-investor.

The first update report shall be submitted within two (2) months of Lease execution, or not less than one (1) month prior to making a site plan application submission, whichever is earlier.

Post-construction, the tenant(s) shall be required to submit an annual report confirming the continuation of the minimum affordability preferences, in accordance with the Ministry of Long Term Care’s guidelines. Such reporting requirements will also be included in the terms of the Lease.

Submission Objectives and Requirements



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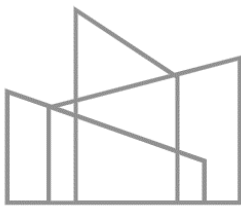
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The City wishes to encourage Submissions that showcase excellence in urban design, high performance building construction, sustainability, safety and connectivity with the community, and that advance the City's commitment to the Housing Sustainability and Investment Roadmap. **All submissions will be reviewed on an ongoing basis.**

- 1) Capability and Qualifications, including:
 - a) Demonstrates proven track record of developing long term care homes;
 - b) Demonstrates proven track record of operating long term care homes;
 - c) Provides examples of other long term care home projects completed within the past 10 years in Canada.
- 2) Development Concept, including:
 - a) Preliminary concept sketches/development layout;
 - b) Minimum number of 70 resident beds committed;
 - c) Type of resident bedrooms and number of resident bedrooms;
 - d) Number of parking spaces;
 - e) Information on any intended features or use of techniques and technologies that promote environmental sustainability.
 - f) How vehicle and pedestrian safety is being accommodated for appropriately.
- 3) Project feasibility, including,
 - a) Proforma model demonstrating feasibility of the proposed project based on a Negotiated Lease;
 - b) Proposed copayments and potential additional rents/payments;
 - c) Equity contribution as a percentage of project cost;
 - d) Committed funding and sources, and/or intended financing strategy;
 - e) Project construction schedule indicating key milestones.
- 4) Description of how the project meets or exceeds the long-term care requirements set out in this offering, including:
 - a) Depth of affordability as applicable to MLTC guidelines and regulations
 - b) Commits to or exceeds minimum Lease term.



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5) Submissions will not be considered without the following **mandatory** information provided including:

- a) A copy of the incorporation documents demonstrating that the proponent is a non-profit, charitable organization or a for-profit;
- b) A copy of the organization's most recent audited financial statement demonstrating that they are in good financial standing;
- c) A certificate of status indicating that the corporation is in good standing, valid within the last 3 months; and
- d) Written confirmation to complete the proposed development within 24 months once building permit is approved.

The City reserves the right to choose any Submission or reject all offers and issue a new call for Submissions. Submissions that are incomplete or obscure may be disqualified at the sole discretion of the City.

The City will prioritize Submissions on the basis of the total amount of resident bedrooms and commitment to affordability. If needed, the City will conduct meetings with shortlisted potential long term care housing providers to discuss topics that may include, but not be exclusive to, delivery of affordability preferences, proposed design, site access, pedestrian safety implementations, the partners' commercial relationship, phasing, financing plans, sustainability measures, accessibility targets, and long term care housing management experience.

The selected long term care housing provider will enter into a nominal land lease agreement with the City for the Subject Site, which shall include conditions related to development milestones.