

Grant Funding Affordable Housing Term Sheet

Pre-Application

- The pilot program is open to applications from non-profit organizations (each called a “Development Partner”) with demonstrated experience in:
 - a. property development
 - b. project management
 - c. property management
- Prior to submitting a grant application, a Development Partner shall meet with Administration to review the suitability of a proposed development for the pilot grant program. The City may reasonably request due diligence documentation from the Development Partner about the proposed development, at the Developer’s sole expense.

Application and Evaluation Criteria

- If Administration determines that a proposed development may proceed to a formal grant application, the Development Partner may submit a formal grant application to the City. A separate grant application is required for each site. The City shall impose a deadline for all grant applications to be submitted under the pilot program.

The City may select one or more Development Partner to receive grant funding based upon the following criteria:

- **Context and Ownership:** The Development Partner must be the registered owner of a property located within the boundaries of the city of Edmonton that has a significant detrimental impact to surrounding properties, including but not limited to:
 - nuisance conditions;
 - property deterioration;
 - safety issues or concerns;
 - structural integrity; and/or
 - fire risks and hazards.
- Properties considered for inclusion in the pilot program will need to be already vacant or tenants must be on short-term leases that expire and enable residents to be transitioned out of the housing prior to redevelopment.
- The City shall consider the neighbourhood affordable housing target and ratio, and broader geographic context, of the proposed development.

- **Public Engagement:** The Development Partner must describe what public engagement actions it intends to undertake to engage with the public in the development process.
- **Property Information:** The Development Partner must provide the City with copies of the following documents:
 - current Environmental Site Assessment Repository Search and Environmental Law Centre search, together with the results of any environmental reports for the property in the event any reports were obtained by the Development Partner;
 - current tax search;
 - current title search;
 - current adjacent title search; and
 - real property report and certificate of compliance, non-conformance, or non-compliance (not required for foreclosure or government-ordered sales or where the property is being demolished as part of the proposed development).
- **Design Plans:** The Development Partner must provide a project description on how the proposed development will integrate with the neighbourhood, proximity to amenities and services, particulars of how the proposed development will meet accessibility standards, and proposed construction commencement and completion dates (with construction commencement to be within two years of the execution of a Grant Funding Affordable Housing Agreement with the City of Edmonton).
- **Qualifications:** The Development Partner must provide a description of its mandate, its connection to the community in which the proposed development is to be located, and a summary of its previously completed affordable housing developments. The Development Partner must demonstrate experience in property development, project management and property management.
- **Affordable Housing Proposal:** The Development Partner must provide a summary of the proposed affordable housing project, as described in the program application package, including:
 - proof of financial viability of the proposed development;
 - description of the proposed development, including particulars of affordable housing component and any market component;
 - the proposed type of affordable housing;
 - the proposed form of tenure;
 - the proposed term of affordability;
 - the proposed availability of residential units to various persons, including:
 - minimum percentage of units to be used for affordable housing;
 - eligibility criteria for occupants of affordable housing

units, which must (at minimum) be occupants with an annual household income below threshold limits set by the City;

- payments proposed to be charged to affordable housing occupants. At a minimum, rent payments for tenancies must not exceed 80 percent of the average market rental rates as determined by CMHC or must be rent-geared-to-income with payments that do not exceed 30 percent of the occupant's monthly gross household income. Mortgage payments must not exceed 25 percent of the occupant's monthly gross household income;
- additional eligibility or payment criteria for occupants may be imposed by the City of Edmonton;
- details on the proposed operation and management of the residential units.

Reservation of Rights: The City reserves the right, in its sole discretion, to:

- require a Development Partner to provide further clarification on information submitted, or to provide additional information or materials to assist in a review of its submission;
- accept, reject, or further negotiate with any or all Development Partner applicants;
- amend, modify, cancel, or suspend the pilot program or any or all stages of the pilot program, at any time, for any reason;
- recommence the grant process for new responses or enter into negotiations for grant funding;
- extend from time to time any date, time period, or deadline provided for in the selection process, upon written notice to all affected Developer Partner applicants; and
- not enter into a Grant Funding Affordable Housing Agreement with any Development Partner applicant.

No Liability: By participating in any aspect of the pilot program, the Development Partner specifically agrees that it will have absolutely no claim against the City or any of its employees, advisors, or representatives for anything resulting from the exercise of any or all of the rights set out in this Term Sheet. Without limiting the generality of the foregoing, the Development Partner also agrees that in no event will the City, or any of its employees, agents, advisors, or representatives be liable, under any circumstances, for any claim, or to reimburse or compensate the Development Partner in any manner whatsoever, including, without limitation, for the costs of preparation of any submission, loss of anticipated profits, loss of opportunity, or any other matter.

The pre-application meeting and any submission process is only intended to solicit interest and information from a potential Development Partner and does not create any legally binding arrangement with the City. The pre-application meeting and

submission process will not give rise to any “Contract A” based tendering law duties or any other legal or equitable obligations arising out of any process contract or collateral contract. Neither the Development Partner or the City has, or will have, the right to make a claim of any kind, whatsoever, against the other, with respect to the award of a contract, the failure to award a contract, or the failure to honour a response to the submission process.

Agreement Terms

- If a Development Partner is selected by Administration, the Development Partner shall be required to enter into a Grant Funding Affordable Housing Agreement with the City of Edmonton.
- The City may provide grant funding to the Development Partner for up to 40 percent of their capital costs incurred to redevelop the property into a site for affordable housing, in an amount within available budget funds allotted for the pilot program. The City will not contribute grant funding to the Development Partner’s costs to acquire the property.
- The term of the Grant Funding Affordable Housing Agreement is a maximum of 40 years.
- Construction of the development must commence within two years of the execution of the Grant Funding Affordable Housing Agreement.
- Prospective occupants of the development must qualify for affordable housing under criteria established or approved by the City.
- The City will be entitled to register a caveat or other instruments on title to protect its interest under the agreement.
- In the event of a substantial breach of the agreement by the Development Partner, remedies may include but are not limited to grant funding being repayable to the City on a pro-rated basis.