



**FINANCE DEPARTMENT
MEMORANDUM**

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TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: C. SMITH, SENIOR MANAGER OF ACCOUNTING AND REVENUE
C. MILLAR, DIRECTOR OF FINANCE AND TREASURER

NOTED: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES
M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: INTERIM CONSTRUCTION FINANCING UPDATE – REDWOOD PARK COMMUNITIES

DATE: AUGUST 9, 2021

The purpose of this Memorandum is to provide members of Council with an update regarding an Interim Construction Financing for Redwood Park Communities. On June 28, 2021, Council passed motion 21-G-188 as follows:

- “1. That the City of Barrie provide an interest-free loan of up to \$3 million, with \$1 million to be released in the interim, and the release of any further funds being revisited by General Committee at their meeting scheduled to be held August 9, 2021 for the purpose of construction financing to Redwood Park Communities over a period of two years for supportive housing projects in the City of Barrie and that the loan be subject to funding approval for the projects from the Canadian Mortgage and Housing Corporation.
2. That on a best effort basis the City’s Treasurer will release money in increments toward supportive housing projects approved by the Canadian Mortgage and Housing Corporation and that all draws of the money be for construction costs and no operation costs of Redwood Park Community salaries all draws must be supported with construction invoicing.
3. That Redwood Park Communities provide a monthly report to the City outlining the construction scheduling, costs and documentation to support all draws being made for construction expenditures associated to the supportive housing projects.
4. That the loan be fully repaid to the City by June 30, 2023, and the Director of Legal Services and Director of Finance/City Treasurer be delegated authority to enter into a loan agreement with Redwood Park Communities. (Item for Discussion 8.7, June 21, 2021)”

Update

At the time of drafting this memo, Redwood Parks Communities had not yet received funding approval from the Canadian Mortgage and Housing Corporation (CHMC). However, recent correspondence from Timothy Kent, Chief Executive Officer of Redwood Park Communities, indicates they hope to have approval for one of the properties within the next two weeks. On the second property they are hoping to have a commitment from CHMC between now and the end of August.

As a result, no funds have been released to Redwood Park Communities. Staff are planning to have a legal agreement in place with Redwood Park Communities ahead of any approvals from CHMC.

As per motion 21-G-188 paragraph 1, staff will report back to General Committee before releasing any funds to Redwood Park Communities above the \$1 million dollar threshold.