

The Regional Municipality of York

Housing York Inc.
June 7, 2018

Report of the
General Manager
and
Chief Financial Officer

Porter Place Mortgage Discharge

1. Recommendations

The Board receive this report for information.

2. Purpose

The purpose of this report is to inform the Housing York Inc. Board of Directors of the intent to discharge the mortgage on Porter Place, located at 18838 Yonge Street, in the Town of East Gwillimbury. The existing mortgage on this property expires September 1, 2018.

3. Background

The Porter Place mortgage is due for renewal on September 1, 2018

Owned by Housing York Inc., Porter Place is a 29 unit emergency housing facility for men, located at 18838 Yonge Street in the Town of East Gwillimbury. Porter Place, which is operated by Blue Door Shelters on behalf of Housing York, provides emergency and transitional housing as well as wrap-around supports to men who are homeless in York Region.

Porter Place's mortgage is due for renewal on September 1, 2018 with an outstanding balance of \$510,644.67.

Discharging the Porter Place mortgage will help facilitate future site redevelopment

Porter Place is at the end of its life cycle. The Region's 2018 Capital Budget approved capital funding for a replacement men's emergency housing project. To

move forward on any redevelopment plans, the mortgage on Porter Place must be discharged and the property removed from the list of designated housing projects under Part VII of the *Housing Services Act, 2011*.

If the mortgage is not discharged at the end of this term in September 2018, it cannot be discharged again until the end of the next five year term without incurring penalties. Discharging now will avoid early discharge penalties which could be significant since the Region would have to pay the outstanding principal plus all the interest owing for the remainder of the term. Depending on the lender it's also possible the term cannot be broken.

The Region does not currently have plans to redevelop the site. Discharging the mortgage gives the Region flexibility to redevelop at a time of its choosing.

Regional Council approved the use of Regionally Owned Housing Reserve to payout Porter Place's outstanding mortgage

In [December 2017](#), through the Region's 2018 Capital Budget, Council approved withdrawal of funds from the Regionally Owned Housing Reserve to pay out the outstanding mortgage for Porter Place. Housing York Inc. will use the funds to pay the \$510,644.67 outstanding mortgage on September 1, 2018.

4. Analysis and Implications

The Commissioner, Community and Health Services has the authority to discharge the mortgage on Porter Place

Section 162 of the *Housing Services Act, 2011*, provides York Region, as Service Manager, authority to approve changes to a housing providers' mortgage financing through a service manager consent process.

In [February 2013](#), Council delegated authority to the Commissioner of Community and Health Services to perform all of the duties and exercise all of the powers of the Service Manager under the *Housing Services Act, 2011*.

As required, the Region informed the Minister of Housing of the mortgage discharge

The *Housing Service Act, 2011* requires the Region to inform the Minister of Housing of consents granted by the Service Manager within 10 days of providing consent.

On May 9, 2018, the Commissioner, Community and Health Services consented to the discharge of the Porter Place mortgage and subsequently informed the Minister of Housing (Attachment 1). In addition to informing the Minister, the Region also requested the removal of Porter Place from the list of designated

Porter Place Mortgage Discharge

projects in the *Housing Services Act, 2011* and the Canada-Ontario Social Housing Agreement.

Daily operation of Porter Place will not be affected by the mortgage discharge

Housing York Inc. has informed Blue Door Shelters, current operator of Porter Place, of its intent to discharge the mortgage on Porter Place and remove the property from the *Housing Services Act, 2011*. This change will not impact daily operations of the facility.

At this time there are no definite plans for redevelopment of the Porter Place site. Housing York Inc. will ensure all impacted stakeholders, including the operator, are consulted on any future plans for the site.

5. Financial Considerations

The Region's approved capital budget includes 2018 Capital Spending Authority of \$750,000, funded from the Regionally Owned Housing Reserve, to facilitate the discharge of the mortgage on Porter Place. Housing York Inc. will use \$510,644.67 of the approved amount to pay out Porter Place's outstanding mortgage, plus applicable legal fees.

6. Local Municipal Impact

Porter Place is located in the Town of East Gwillimbury. As the only men's emergency housing in York Region, it provides essential services to residents from across York Region.

7. Conclusion

Discharging the mortgage and removing Porter Place from the *Housing Services Act, 2011* provides flexibility to move forward with redevelopment at the Region's discretion.

Porter Place Mortgage Discharge

For more information on this report, please contact Rick Farrell, General Manager, Housing Services at 1-877-464-9675 ext. 72091.

The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell
General Manager

Michelle Willson
Chief Financial Officer

Approved for Submission:

Katherine Chislett
Commissioner of Community and Health
Services

May 24, 2018

Attachment (1)

#8185224

Accessible formats or communication supports are available upon request



KATHERINE CHISLETT, Commissioner
Community and Health Services Department

May 9, 2018

Honourable Peter Milczyn
Minister of Housing
777 Bay Street, 14th Floor,
Toronto ON M5G 2E5

Dear Minister Milczyn,

Re: York Region consented to discharging the mortgage on Transitional and Supportive Housing Services of York Region (Porter Place) - 18838 Yonge Street, Town of East Gwillimbury

I am writing to inform you that the Regional Municipality of York, in its capacity as the Service Manager, consented to discharge the mortgage on Transitional and Supportive Housing Services of York Region (Porter Place).

Owned by Housing York Inc., Porter Place is a 29 unit emergency housing facility for men, located at 18838 Yonge Street in the Town of East Gwillimbury. Porter Place provides emergency and transitional housing as well as wraparound supports to men in York Region.

Porter Place's mortgage is up for renewal on September 1, 2018 with an outstanding balance of \$510,644.67 at the end of the term.

York Region has consented Housing York Inc. to payout the outstanding mortgage balance in full at the conclusion of the current mortgage term and discharge the mortgage.

I also request the removal of Porter Place from the *Social Housing Agreement* portfolio and Schedule 37 of Ontario Regulation 368/11 under the *Housing Services Act*, 2011 upon mortgage discharge on September 1, 2018.

May 7, 2018

Transitional and Supportive Housing Services of York Region – Mortgage Discharge Consent

As required by the Ministry, I have enclosed a complete *Service Manager Transfer Notification* (Attachment 1). Upon mortgage discharge York Region will forward to the Ministry of Housing a copy of documents verifying mortgage termination.

If any further information is required, please contact Jody DeGagne, Manager, Housing Strategy and Program Delivery at jody.degagne@york.ca.

Sincerely,



Katherine Chislett
Commissioner, Community and Health Services

RF/ap

Attachment - 1

Copy to: Rick Farrell, General Manager, Housing Services
Kerry Hobbs, Director, Housing Operations
Michelle Willson, Director, Program Finance and Chief Financial Officer
Jody DeGagne, Manager, Housing Strategy and Program Delivery

York-#8172738

**Service Manager Transfer Notification
No Provincially-Guaranteed Mortgage**

	Required Information	Service Manager reporting
1.	Service Manager Contact Information	Katherine Chislett Commissioner, Community and Health Services The Regional Municipality of York 17250 Yonge Street Newmarket ON L3Y 6Z1
2.	Provider's Name	Housing York Inc.
3.	Project Name and Address	Porter Place Transitional and Supportive Housing Service of York Region 18838 Highway 11 East Gwillimbury ON L9N 0C5
4.	Item #	Item # 53, Sched. 37, O. Reg. 368/11, <i>Housing Services Act</i> , 2011
5.	Transferee Name	N/A
6.	Transfer Circumstances	Mortgage discharge
7.	Transfer Closing Date	September 1, 2018
8.	Are you requesting a 9(d) waiver and removal from the HSA?	Requesting a 9(d) waiver and removal from the <i>Housing Services Act</i> , 2011
9.	Were there any SHRRP/SHEEP/SHARP/SHIP repayment requirements?	No
10	Part 1: Ministerial Directive Summarize consultations with tenants/residents and how impacts are being mitigated or indicate if property is vacant	The Region has informed the operator, Blue Door Shelter, of its intent to discharge the mortgage on Porter Place and remove it from the <i>Housing Services Act</i> , 2011 list of designated housing projects. This change would not have an immediate impact on the daily operations of the facility.
11	Part 2: Ministerial Directive Proceeds to be used for what housing purposes?	Housing York Inc. will not collect any proceeds as the property is not being sold or redeveloped at this time.