

Good Shepherd Centres
Administration
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June 7, 2012

Mayor and Members of Council
c/o Office of the City Clerk
City of Hamilton,
City Hall
71 Main St. W., 1st Floor
Hamilton, ON L8P 4Y5

Mayor and Members of Council,

As you may be aware, Good Shepherd has been developing the \$51.5 million project on King St. W. known as Good Shepherd Square. This development has seen the creation of a best practice Women's Services Centre and 156 affordable housing units, all of which were desperately needed in this community.

This development has attracted considerable government funding, primarily federal and provincial. The Federal government has provided nearly \$3.5 million towards the development of the Women's Centre and some \$4 million for the affordable housing units. The Province contributed \$6 million for the Women's Centre and is contributing an additional \$6.5 million towards the new apartments. For its part, the City of Hamilton requested that we provide 24 barrier free apartment units and contributed \$1.2 million to the project for the necessary upgrades.

Good Shepherd has undertaken to invest an additional \$10 million to the development. These funds are being raised through a Capital Campaign. To date, Good Shepherd has already received donations and pledges for some 70% of this total and anticipates winding up the campaign later this year for the balance.

At this time, our issue is the mismatch between when the pledges will be received from this campaign and the reality that the project is now complete. Good Shepherd has arranged for interim financing but requires a longer term solution. A private sector solution to this situation

has not been possible given the complexity of the project and the reluctance to lend to charities. As a result, Good Shepherd is formally requesting a loan of \$5 million from the City of Hamilton to bridge this gap.

Good Shepherd has deep roots in the community and has always made good on its obligations and has no doubts about our ability to honour the request we are making. To that end, Good Shepherd has an extensive, committed donor base that enables it to raise millions of dollars on an on-going basis, not just for this Capital Campaign. Finally, even allowing for this request, there remains considerable equity in the development to secure the requested loan.

Good Shepherd requests that you consider our request for this loan. We will happily provide additional information in order for staff to fully evaluate this request and provide you with an appropriate recommendation.

Sincerely,

A handwritten signature in cursive script that reads "Duke O'Sullivan".

Paul (Duke) O'Sullivan
Chair