

Term Sheet for Housing Charge Supplement and Operating Subsidy Agreement

221 & 223 Charlton Avenue

Landlord: Corktown Co-operative Homes, Inc.

Housing Charge Supplement & Operating Subsidy Conditions

1. The Housing Charge Supplements will be subject to the recipient entering into the City of Hamilton's standard housing charge supplement agreement ("HCSA") containing such terms and conditions as set out within this term sheet and such additional terms and conditions as determined by the General Manager of Healthy and Safe Communities Department ("GM") and in a form satisfactory to the City Solicitor.
2. The HSCA shall have a duration equivalent to the property's mortgage.
3. A resolution must be passed by Corktown Co-op's board affirming that housing charges will be set at 80% of Average Market Rent as calculated by Canada Mortgage and Housing Corporation.
4. The housing charge supplement assistance shall be provided to tenants of 221 and 223 Charlton Avenue who are deemed eligible and selected from the centralized waiting list (Access to Housing) maintained by the City of Hamilton.
5. The housing charge supplements shall only be used at the property currently municipally known as 221 & 223 Charlton Avenue unless written permission is given the by City of Hamilton for them to be applied elsewhere.
6. The level of financial assistance provided to members of Corktown Co-operative Homes, Inc. through the Housing Charge Supplement will be sufficient to meet the provincial service level standards as described in the *Housing Services Act, 2001* and associated regulations and will use Rent-Geared-to-income calculations or portable housing benefit calculations as determined by the City of Hamilton.
7. Corktown Co-operative Homes, Inc. will be responsible for determining eligibility for assistance of prospective members, calculating rent and collecting the member portion in the manner outlined in the City of Hamilton's standard RSA.
8. Corktown Co-operative Homes, Inc. will provide reports to the City of Hamilton in a manner outlined by the City of Hamilton in its standard HCSA or in such other manner as determined by the GM.
9. The agreement can only be transferred if the GM in their sole discretion and only in the following circumstances:

(a) the property is sold to another provider of “non-profit housing” who enters into an assignment agreement with the City and Corktown Co-operative Homes, Inc. agreeing to be subject to all of the terms and conditions of the HCSA for the remainder of the term of those agreements and such other terms and conditions as the GM and City Solicitor in their sole discretion deem appropriate.

10. Units subject to the HCSA may increase housing charges annually within a tenancy by the provincial Guideline amount as specified annually by the Ontario Ministry of Municipal Affairs and Housing. Higher increases may be permitted at the sole discretion of the GM following submission of a business case justifying the increase.

11. The operating subsidy must be used for the operations of Corktown Co-operative Homes, Inc. property at 221 and 223 Charlton Ave.

12. The operating subsidy will be increased annually by the rate of inflation for the prior year.

13. An audited financial statement must be prepared annually, approved by the board and submitted annually to the City of Hamilton five months following the end of its fiscal year.

14. Payments will be reconciled annually in a format acceptable to the GM of Healthy and Safe Communities.

15. Corktown Co-operative Homes, Inc. may request to retain any unused funds subject to a review and decision at the sole discretion of the GM of Healthy and Safe Communities.