

To:	Warden Halliday and Members of Grey County Council
Committee Date:	May 10, 2018
Subject / Report No:	HDR-CW-08-18 Additional Information Requested Golden Town Residential Community
Title:	Golden Town Residential Community
Prepared by:	Anne Marie Shaw, Director of Housing
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	Meaford
Status:	Recommendation adopted by Committee of the Whole as presented per resolution CW122-18; Endorsed by County Council May 24, 2018.

Recommendation

1. That Report HDR-CW-03-18 regarding a proposed transfer of Golden Town Residential Company assets to Grey County be received; and
2. That staff be directed to carry out the process to transfer such assets to the County of Grey.

Executive Summary

Golden Town Residential Community is a non-profit housing provider that provides rent-geared-to-income and market rent housing to 63 families and 46 seniors in Meaford.

After over 30 years of providing affordable housing the Board and staff of this non-profit corporation are retiring in September of 2018 and have asked that the County take over ownership and operations of Golden Town.

These 109 units are part of Grey County's compliment of 1251 units of housing as required by the Housing Services Act, 2011. If transferred to another provider Grey would need to replace the units as the mortgages expired at a cost of approximately \$200,000 a unit.

Report includes: Recent Capital Upgrades, 20 Year Capital Estimate and Estimated Timeline.

Background and Discussion

Golden Town Residential consists of three developments:

Golden Town Manor	21 senior's apartments
Albert Place	25 senior's apartments
Victoria Village	63 family homes

- Grey County must maintain 1251 rent geared to income units as set by the Province.
- Golden Town Residential Community board is retiring September 2018.
- The Board was unable to find alternate board members or another non-profit to assume Golden Town.
- As Grey County is the Service Manager it is responsible for the existing tenants and rent geared to income units.
- Staff recommend the units be transferred to Grey County.
- Golden Town's auditor Collins Barrow presented the 2017 financial audit to Grey County Council April 12, 2018 and reported the financial statements present fairly.

The report contains a process for asset transfer, capital projects recently completed by Golden Town, estimated capital repairs for the next 20 years and an estimated timeline for transfer of Golden Town to Grey County.

Process for Asset Transfer

The following are areas to consider during the process of transferring a social housing asset:

1. **List of Assets and Liabilities/ Audit:** Golden Town provided an overview of year end 2017 audit to council on April 13, 2018.

Assets

Unrestricted Operating Funds	\$587,068
Capital Replacement Funds	\$1,482,232
Property and Equipment	\$3,724,172

Liabilities

Golden Town Manor	\$169,733	1.01% interest due 2020
Albert Place and Victoria Village	\$3,293,973	1.995% interest due 2026

Operating Funds 2017

Annual Subsidy Amount Paid By County	\$592,398
Rental and other revenue	\$541,874

2. **Building Condition:** Facilities Staff toured the building and no signs of neglect or capital projects not completed.

Capital Projects Completed			
	Golden Town Manor (21 units)	Albert Place (25 units)	Victoria Village (63 units)

Roof	2009	2013 & 2014	2009
Furnace	2012	2010	N/A
Hot Water Tanks		2010	2010 in all units
Kitchen Cupboards	2010 all units	2012 all units	As required
Toilets	2009 all units	2009 all units	2010 all units
Refrigerators	2014 Meer Program	2014 Meer Program	2014 Meer Program (designated units)
Stoves	2010	2012	2016
Flooring	As required	As required	Carpet to vinyl tile completed in all but 8 units (completed on move-out)
Windows & Doors	As required	As required	20 units completed. replaced when unit is vacant
Paving	2009	2009	2009 partial & repairs
Playground update			2018
Fire system upgrade		2016	
Security Entrance System	2016	2015	2015
Hot Water system retrofit	2013		

Capital Forecast for next 20 years:

Today's Capital Fund	\$1,482,232
20 Year Mandatory Capital Funds	<u>\$1,416,040</u>
Total	\$2,898,272*****

20 Year Capital Expenditure Forecast \$1,784,990

***** These numbers do not include interest gained on investments.

[Link to Capital Forecast](#)

Future Steps

3. **Furniture and Equipment:** Inventory of furniture and equipment to be prepared along with information about the depreciated value of the items. Long term rental equipment and service contracts review.
4. **Financial Audit:** Another Audit will take place at the legal transfer of the asset.
5. **Tenants:** List of current tenancies, any outstanding or ongoing Landlord and Tenant Board proceedings, accommodation requests and copies of lease agreements will be requested. The new landlord must agree and abide by the existing lease. The landlord

can ask a tenant to sign a new lease but the tenant can refuse. Grey County Housing will work with Golden Town to ensure a smooth transition for tenants.

6. **Mortgage:** Inquiries will be made as to what documentation the mortgage holder may require in order to approve the assumption of the mortgage.
7. **Costs:** Professional, legal and accounting fees towards the dissolution of the corporation.
8. **Timing of Closing:** Golden Town Board wishes to retire September 30, 2018. We will work towards this goal. Tenants will be given written notice.

Timelines	Dates
Notification to Tenants and Employees	May 2018
Notification of Province of Transfer of Assets	May 2018
Develop Agreement for Transfer	May 2018
Prepare for Mortgage Assumption	May 2018
Agreement signed by GT and Council	June 2018
Inventory of Equipment and Furniture	June 2018
Review of existing contracts/agreements	June 2018
Tenant Meetings	June 2018
Meet with People Care	June 2018
Legal Transfer	September 2018
Acquire Insurance	September 2018
Transfer of Tenant Files and Leases	September 2018
Transfer of Archived Files	September 2018
Final Audit	September 2018
Revise fire plans	September 2018
Tenant Meetings	September 2018
Transfer of Financial Files	September 2018
Inform Changes to all parties	September 2018

9. **Communications:** Grey County will work with Golden Town for notices for tenants and other partners. Tenant meetings will be held to provide information on timing, any changes tenants may expect and introduce staff.

10. Operations in the Interim: The Property Manager at Golden Town has offered to stay on past the end of September to work towards a smooth transition.

Legal and Legislated Requirements

Notification of the transfer to the Province

Legal fees for transfer of asset

Financial and Resource Implications

Please refer to body of report.

Relevant Consultation

Internal: Finance, Facilities Staff in Housing

External: Town of Meaford

Appendices and Attachments

Link included in body of report