

**Sunnyhill Housing Co-operative Ltd.
787 Third Street NW
Calgary, Alberta T2N 1P1
403-270-8405**

Notice of General Meeting

**Sunday, December 20, 2020
2:00pm – 4:00pm**

<https://us02web.zoom.us/meeting/register/tZludOisrD4vHtdZ20kUXLMuzbZX8i2YN97E>

Phone in information: 587-328-1099 Meeting ID 863 3142 5543

Agenda

1. Call to order
2. Set adjournment time
3. Opening remarks and introductions
4. Approval of proposed agenda
5. Business – Planning and Development:

Background

Planning and Development is requesting an additional \$90,000 to complete the due diligence phase that membership approved June 14, 2019.

At the time Planning and Development requested \$200,000. This was based on an estimated 2% of total project costs.

It is industry standard that planning and due diligence processes cost approximately 2-3% of the total project budget. We are still within this scope.

The additional funds will allow Planning and Development to:

- undertake work required to study the retro-fit and new build in relation to the Federation of Canadian Municipalities Green Municipal Fund's criteria for net zero ready sustainability standards. This particularly applies to the new build, but may provide valuable options for the retrofit.
- Contract Boundary Design (Lee Prevost) to complete four extended tasks from Phase 2. These include continued land negotiations with the City of Calgary, Engagement with the Membership, the sustainability work as described above, continued value engineering and refinement (meaning, the financial analysis required to undertake the full scope of the development, retrofit, and land purchase).

- Undertake Phase 3 of the work program. This work includes looking at potential partnership opportunities to offset capital expenses if necessary, creating a final report that will indicate Development Recommendations, submit three capital funding applications to Green Municipal Fund, CMHC Preservation Fund, and CMHC New Build Fund, and ongoing general consulting work.

As context, of the \$290,000 needed to complete the due diligence process we are undertaking, \$137,765 is funded by grants. These grants are confirmed. Planning and Development will apply for a top up of \$17,580 from CMHC to assist in some of the financial analysis work. The \$17,580 funding is yet to be confirmed.

Ultimately, Sunnyhill will be spending either \$132,143 if we are awarded the CHMC top up or \$149,723 if the CMHC top up request is unsuccessful.

For detailed information regarding the Phase 2 Extension and Phase 3 work, please see the attached “Sunnyhill Feasibility Extension Program” PDF.

For information that is completed or in process to date, please download PDF from Planning and Development Dropbox here: <https://bit.ly/3olqzd0>

For detailed information on spending for Phases 1, Phase 2, Phase 2 extension, and Phase 3 please see attached Planning and Development Financial Summary XLSL.

Approved Motion 5avii from June 14, 2019

MOTION: Eric Moschopedis on behalf of Planning and Development Committee moves that SHC approve up to \$200,000 in spending to contract Calgary-based Urban Matters to project manage an evidence-based “due diligence” process that will confirm or discredit the viability of:

the environmentally and economically sustainable rehabilitation of our housing stock; aginginplace/accessibility.

The resources to contract Urban Matters will be allocated from the remaining balance between amounts of the old and new mortgages, grants, and Planning and Developments annual operating budget.

Urban Matter’s support and management will include, but is not limited to: lease negotiations with the City of Calgary, feasibility studies, asset management planning, development of pro formas, accessibility study and planning, funding applications, and membership engagement and communications.

New Motion

MOTION: Eric Moschopedis on behalf of Planning and Development Committee moves that SHC amend motion 5avii from June 14, 2019 as follows:

- a) change spending limit from \$200,000 to \$290,000
- b) change Urban Matters to "Urban Matters or Boundary Design".

So that amended motion reads as follows:

MOTION: Eric Moschopedis on behalf of Planning and Development Committee moves that SHC approve up to \$290,000 in spending to contract Calgary-based Urban Matters or Boundary Design to project manage an evidence-based "due diligence" process that will confirm or discredit the viability of:

1. the environmentally and economically sustainable rehabilitation of our housing stock;
2. aging-in-place/accessibility.

The resources to contract Urban Matters will be allocated from the remaining balance between amounts of the old and new mortgages, grants, and Planning and Developments annual operating budget.

Urban Matter's support and management will include, but is not limited to: lease negotiations with the City of Calgary, feasibility studies, asset management planning, development of pro formas, accessibility study and planning, funding applications, and membership engagement and communications.

6. Adjournment

Boundary Design

Date: December 3, 2020
To: Eric Moschopedis, Sunnyhill Housing Cooperative
From: Lee Prevost, Boundary Design
File: 004.02
Subject: Sunnyhill Feasibility Extension Proposal

PROJECT UNDERSTANDING

This work program is intended to complement Sunnyhill's Phase 2 Feasibility Program. Information gathered from those activities informs the tasks below. For clarity, when an action is related to a task from the Phase 2 work, similar naming is utilized. The intent of this work program is to identify the remaining information/narrative required to submit capital funding applications to the Federation of Canadian Municipalities (FCM) and Canada Mortgage & Housing Corporation (CMHC). It will also prepare Sunnyhill's submission to the City of Calgary supporting its request to purchase the leased land. The following outlines the eight tasks that are included in the work program.

WORK PROGRAM

Task 3: Land Purchase

Working with the City's Real Estate & Development Business Unit (REDS), prepare a proposal document that indicates how Sunnyhill's housing model could meet the key outcomes of the City of Calgary's Affordable Housing Strategy & Implementation Plan, including the relationship to the City's Calgary Housing development model and the current land disposition program. Additional negotiation sessions with the City of Calgary are included. Seek City of Calgary internal supporter to champion the proposal to key decision makers. The fee schedule includes up to 10 meetings with Councillors to be drawn down as an expense as occurred.

Task 4: Engagement

To support presentation of key project elements to the residents of Sunnyhill, and opportunities for feedback, five presentations to the Sunnyhill Membership have been included as expense items to be drawn down as required.

Task 7: Design (Sustainability)

Recognizing that FCM's sustainability requirement (Net Zero Ready/Net Zero) requirement is significantly more stringent than Sunnyhill's original target under CMHC's funding program, we will engage a sustainability consultant to evaluate design specifications options that would satisfy both CMHC and FCM's requirements while achieving the coop's aspirational goals. Design options would be based on information gathered through Sunnyhill's June 2020 Energy Audit and continue to align with the recommendations from the 2019 Sustainability report. Included will be energy modelling services of the conceptual design and Net Zero Ready specifications to support the cost analysis.

Task 10: Value Engineering, Financial Refinement (Land Purchase, Sustainability, Pathway Accessibility, Permaculture)

Prepare scenario iterations of the capital budget and operating proforma showing the impacts of the additional Net Zero requirements, land sale pricing at the City's market appraisal vs estimated book value, pathway accessibility improvements and permaculture landscaping upgrades. The results will be utilized to support capital funding applications, and demonstrate implications/risk to both the regeneration program and new unit projects, and a pricing range that supports a sustainable operating program. The analysis will include an update Housing Charge spreadsheet and calculation of the level of affordability associated with Sunnyhill's rental model. New recommendations from the additional sustainability investigation and any additional requirements from the City's Land Disbursement program that require third party costing would be evaluated by the cost consultant for inclusion in the Financial Analysis.

Task 12: Partnership Opportunities

If necessary to support of the overall capital budget and operating proforma, we would advance the partnership opportunities with the Calgary Horticultural Society and YYC Growers. The intent would be to identify capital/operational values that could be incorporated into the financial analysis and improve the overall feasibility of the project(s).

Task 13: Final Report

Identify a conceptual design and development program that supports the aspirational goals of Sunnyhill. In addition to accessibility recommendations from 2019 Accessibility Assessment and the report will summarize the following;

- Program Aspirations
- Need & Demand Analysis
- Site Analysis
- Conceptual Design
- Sustainability Components
- Stakeholder Responses
- Sources of Equity
- Financial Analysis
- Capital Funding Requirements
- Outline Design Development Work Program

The report will include linking the land purchase, existing unit regeneration and new units together in a development program with overall success contingent on completion of all three elements. This final report will also be presented to the membership for clarification and feedback.

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Task 14: Funding Applications

Based upon the Final Report and Financial Analysis, we will prepare and submit capital funding applications to FCM's Sustainable Affordable Housing program and CMHC's Preservation and Co-Investment programs.

General Consulting Fee

Recognizing the evolving nature of the funding programs and information required to satisfy evaluation criteria, we're including a general consulting fee that can be drawn upon for any additional support. Examples might include Final Reports to Funding Agencies, investigation of existing unit additions/extensions/sheds, landscape improvements including permaculture/drainage/accessibility, asset management updates and other items as directed by Sunnyhill. Where possible, a fee estimate will be provided in advance. All tasks will not be undertaken without express direction from Sunnyhill.

PROJECT TEAM

Lee Prevost, Housing Development Consultant

Lee is the Affordable Housing Development Lead for Boundary Design. He has a diverse background developing affordable housing within both the private and public sectors, including leading the City of Calgary's affordable housing development program. Lee utilizes a business-centric approach that focuses on place-making, community engagement, appropriate building form, creative architecture, and evaluation using the Community Well-Being Framework - all designed to increase community acceptance of affordable housing. He has successfully navigated housing funding programs through Canada Mortgage & Housing Corporation, the Federation of Canadian Municipalities and BC Housing.

Kelly Learned, Planner & Engagement Specialist

Kelly Learned is an award-winning registered professional planner with over fifteen years of experience in the planning profession. Kelly has provided research, project design, engagement and policy development for various levels of government, a variety of community organizations, academic institutions and industry in Saskatchewan, Alberta, British Columbia and Rio de Janeiro, Brazil. Every project seeks opportunities to build trust and transparency between stakeholders to support them in achieving the future they envision.

Dustin Couzins | MoDA, Principal

An honours graduate of the Master of Architecture program at the University of Calgary in 2004 and recipient of the AAA medal for Best Thesis, Dustin is a Principal and founding partner of MoDA. Dustin was born in Calgary, Alberta and completed his first degree in Commerce at the Haskayne School of Business (Calgary, Alberta) before going on to study architecture. After concluding his graduate studies in architecture Dustin left for Vienna, Austria to work for the internationally renowned firm Coop-Himmelblau.

Upon his return to Calgary in late 2005 Dustin worked in the capacity of Senior Designer at McKinley Burkart, working on many high profile projects such as the Devonian Gardens, The Galleries at Renfrew, Mission Offices and various other commercial projects. After four years Dustin left McKinley Burkart to round out his internship with IBI Group in Vancouver. In addition

to professional practice, Dustin has also been involved in the Faculty of Architecture at the University of Calgary in the capacity of critic and sessional instructor.

Harman Sandhu | Altus Group, C.E.T., Associate CIQS

Harman Sandhu has provided cost analysis, project monitoring, project controls and project management for construction projects across Western Canada. Harman's background is monitoring development projects on behalf of lending institutions as a Senior Cost Analyst. He specializes in creating and vetting hard and soft costs for pro-forma budgets, using his experience from monitoring projects to build robust and accurate budgets.

BUDGET

We are able to complete the workplan extension tasks within a budget of **\$68,900** (including disbursements, excluding G.S.T). A summary of the draft budget extension is included below.

Sunnyhill Coop Feasibility Assessment		
Workplan Extension	Timeline/Delivery Date	Rounded Total
Phase 2b - Feasibility Extension	Nov/Dec 2020	
Task 3: Land Purchase	12/2020	\$6,600 *
Task 4: Engagement	01/2021	\$4,700 **
Task 7: Design (Sustainability)	12/2020	\$15,000
Task 10: Financial Analysis (Land Purchase, Sustainability)	01/2020	\$6,400
Sub-total: Feasibility Extension		32,700
Phase 3 - Support Analysis & Feasibility Report	Nov - Feb 2020	
Task 12: Partnership Opportunities	01/2020	\$1,700
Task 13: Final Report	02/2021	\$11,800
Task 14: Funding Applications	03/2021	\$7,700
General Consulting Fee	12/2021	\$15,000
Sub-total: Phase 3		\$36,200
Workplan Extension Total		\$68,900

*10 @ \$315

**5 @ \$945

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We're thankful to continue working with Sunnyhill and hope we've accurately captured the requested scope of work. Please don't hesitate to reach out directly to me if you have any questions.

Thank you,
Lee



Lee Prevoost
Boundary Design

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Calgary, AB T2S 1X8
lprevost@boundarydesign.ca
m. 403 818 3019

This document was exported from Numbers. Each table was converted to on each Numbers sheet were placed on separate worksheets. Please be av differ in Excel.

Numbers Sheet Name

Numbers Table Name

Sheet 1

Table 1

Sheet 2

UM Workplan extension and
Transition (from 2020-12-01 Phase 2
Extension Proposal.pdf)

an Excel worksheet. All other objects
are that formula calculations may

Excel Worksheet Name

<u>Sheet 1</u>
<u>Sheet 2 - UM Workplan extension</u>

Planning and Development					
Financial Tracking					
2019 - 2020 Summary					
		Scenario 1	Scenario 2		
Revenue		Incl. GST	Incl. GST	NOTES	
Sunnyhill Housing Co-op		132,143	149,723		
CMHC Preservation Seed Grant	Confirmed	25,000	25,000		
CMHC Preservation Seed Grant Top Up	Pending	17,580	0	Includes updated difference of Task 5 from 5800 to 16980 (\$11,180) and Task 10 extension \$6,400	
Canadian Federation of Municipalities Green Municipal Fund	Confirmed	112,765	112,765		
Total Revenue		287,488	287,488		
Expenses		Incl. GST	Incl. GST		
Urban Matters Phase 1		45,473	45,473		
Urban Matters Phase 2		169,670	169,670		
Boundary Design Phase 2 Extension		34,335	34,335		
Boundary Design Phase 3		38,010	38,010		
Total Expenses		287,488	287,488		
Total Revenue less Expenses		-0	-0		
2019 - 2020 Detailed					
2019	Details	Proposed	Updated	Actual	Notes
Urban Matters Phase 1					
Project Initiation		864		864	
Engagement Program		4,644		4,644	
Accessibility Analysis		4,752		4,752	
Schematic Design Concept		13,932		13,932	
Sustainability Opportunities		4,968		4,968	
Asset Management Plan		9,504		9,504	
Recommendations		4,644		4,644	
GST		2,165.4		2,165.4	
2019 Total		45,473.4		45,473.4	
2020	Details	Proposed	Updated	Actual	Notes
Urban Matters Phase 2					
Task 1: Start-up Meeting		700	700		
Task 2: Appraisal		6900	10575		
Task 3: Land Purchase		5400	9820		
Task 4: Engagement		8500	5900		
Task 5: Financial Analysis		5800	16980		
Task 6: Needs Assessment		4600	7330		
Task 7: Design Consultant		51600	57772		
Task 8: Cost Consultant		13700	17930		
Task 9: Site Assessment (incl. site accessibility engineer)		50700	22995		
Task 10: Value Engineering/ Financial Refinement		9400	7298		
GST		7,865	7,865		
Subtotal		165,165	165,165		
Boundary Design Phase 2 Extension					
Task 3: Land Purchase		0	6600		
Task 4: Engagement		0	4700		
Task 7: Design (Sustainability) Consultant		0	15000		
Task 10: Value Engineering/ Financial Refinement		0	6400		
GST		0	1,635		
Subtotal		0	34,335		
General Operating Expenses					
Lawyer Fees		5000	0		
Space rental		500	0		

Asset Management and succession planning/Engagement		5000	0		
Visual Piling Investigation		1800	1890		
Energy Audit		3000	2400		
GST		765	215		
Subtotal		16,065	4,505		
2020 Total		181,230	204,005		
2021	Details	Proposed	Updated	Actual	
Boundary Design (Lee)					
Boundary Design Phase 3					
Task 12: Partnership Opportunities		1700			
Task 13: Development Recommendations		11800			
Task 14: Funding Applications		7,700			
General Consulting Fee		15,000			
GST		1,810			
Subtotal		38,010	0		
2021 Total		38,010			
TOTAL UM/BD 2019, 2020, 2021		287,488			

UM Workplan extension and Transition (from 2020-12-01 Phase 2 Extension Proposal.pdf)								
Remaining budget Schedule	Approved fee	Allocation to date	Remaining budget (incl dish)	Sub-consultant estimate	UM 10% mark up	Boundary Design	Total remaining fees	Actual Cost
Task 1: Project Initiation	700	700	0	0	0	0		700
Task 2: Appraisal	6900	1035	5865	6400	640	2500	9540	10575
Task 3: Land Purchase MOU	5400	4320	1080	0	0	5500	5500	9820
Task 4: Engagement Program	8500	3400	5100	0	0	2500	2500	5900
Task 5: Financial Analysis	5800	2900	2900	7800	780	5500	14080	16980
Task 6: Needs Assessment	4600	230	4370	5600	0	1500	7100	7330
Task 7: Design Consultant	51600	47472	4128	8000	800	1500	10300	57772
Task 8: Cost Consultant	13700	6850	6850	7800	780	2500	11080	17930
Task 9: Site Assessment	50700	16745	33955	2500	250	3500	6250	22995
Task 10: Value Engineering, Financial Options	9400	0	9400	3453	345.3	3500	7298.3	7298.3
Project Total	157300	83652	73648	41553	3595.3	28500	73648.3	157300.3