

THE CORPORATION OF THE TOWNSHIP OF HORNEPAYNE

BY-LAW NO. 1843

**Being a By-Law to authorize the creation of  
a Municipal Services Corporation (“MSC”).**

**IN ACCORDANCE WITH** Section 270(1) of the Municipal Act and Resolution 2020-368 and more specifically in accordance with Section 107 of the Municipal Act;

**WHEREAS** Sections 10.1 and 10.2 (5) of the Municipal Act authorize a municipality to provide any service or thing that the municipality considers necessary or desirable for the public, including the economic, social and environmental well-being of the municipality; and,

**WHEREAS**, the Township is proposing the establishment of a MSC to support the delivery of certain housing services to its residents and taxpayers including those identified in the Housing Needs and Demand Study completed by SHS Consulting Inc. and accepted by Council Resolution 2019-528 dated November 6, 2019; and,

**WHEREAS**, the MSC will be responsible for addressing housing issues in the community, and,

**WHEREAS**, the initial transaction for the MSC is anticipated as being the acquisition and operation of the apartment complex known as “Parkview Apartments” which is currently owned by the Hornepayne Economic Development Corporation (“HEDC”). Even though the mission and primary focus of the HEDC is the development of economic opportunities, the HEDC had the foresight of aiding the community by purchasing these Parkview Apartments in December 2010, after the previous owner went bankrupt. As such, the HEDC has been a Landlord of the Parkview Apartments for almost a decade. Further, in the event of a financial issue with the HEDC, the Township would likely have to expend funds on these units in any event. Given the potential risks, particularly with the Parkview Apartments housing many seniors, Council believes that the Township should consider owning the Parkview Apartments and providing the services as Landlord via the MSC as one of its initial steps in alleviating the housing concerns and shortages in the community; and,

**WHEREAS**, the intent of the MSC is to enhance public confidence in maintaining housing units for the Township residents because the Township has seen a growth of its larger geographic economy and hiring increases by local employers; and,

**WHEREAS**, this has created a shortage of housing in the community, with essentially a zero-vacancy rate and a lack of diversity in the housing continuum; and,

**WHEREAS**, there are changes and growth occurring within the Township and its larger geographic area that requires that the Township provide continued and affordable housing services to its residents; and,

**WHEREAS**, the MSC will seek funding that the Township is otherwise unable to seek, and the hope is that the MSC will be better able to address current and long-term sustainability issues for this housing and other housing opportunities; and,

**WHEREAS**, the Township wants to ensure that its decision-making is based on sound business principles and has therefore requested information about the MSC process from the Wishart Law Firm LLP and BDO Accounting office business case dated October 15, 2020; and,

**WHEREAS**, Council was elected, in part, on a platform of correcting and improving housing shortfalls and this MSC is one of their efforts to satisfy those important needs of the residents, including setting the Mission, Vision and Objectives of the MSC, which Council has set out in a separate resolution to be incorporated into the constating documents of the MSC; and,

**WHEREAS**, there are very good reasons to establish MSC entities as a separate legal entity owned and monitored by the Township which will provide for:

1. Elevated ability to deliver on certain housing demands and needs and promises of the elected officials;
2. Professional governance and management through a skills-based Board of Directors;
3. Increased financing flexibility by allowing the Township via the MSC to participate in investments from other infrastructure investments;
4. A vehicle for the possibility of shared-service arrangements with other municipalities given the geographical location of the Township and surrounding Townships;

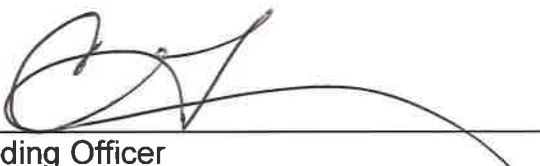
**BE IT THEREFORE ENACTED** by the Council of the Corporation of the Township of Hornepayne:

1. That the creation of a Municipal Services Corporation be accepted.
2. That the transaction with HEDC proceed pursuant to an Agreement of Purchase and Sale to be negotiated and agreed to by the MSC and HEDC.
3. That community outreach be contemplated in accordance with the various whereas clauses;
4. That the Mayor and CAO/Clerk are hereby authorized to carry out and sign the necessary documents to support this By-Law with regular updates to Council as required;

This By-Law shall come into force and take effect upon passage.

Read a first and second time this 17<sup>th</sup> day of February, 2021;

Read a third time and finally passed this 17<sup>th</sup> day of February, 2021;

  
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Presiding Officer

  
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Clerk