



REQUEST FOR DECISION

MEETING DATE: March 14, 2022

TITLE: Public Delegation – Meridian Housing Foundation

DIVISION: City Manager's Office

SUMMARY:

Randy Dubord, Board Chair and Lori-Anne St. Arnault, Executive Director of Meridian Housing Foundation have requested to come before Council to provide an update on the Spruce Grove Lodge project.

PROPOSED MOTION:

THAT the capital equity contribution for the development of the Spruce Grove Lodge be approved as presented with funding to be provided from unrestricted surplus contingent on provincial funding.

BACKGROUND / ANALYSIS:

The Meridian Housing Foundation provides lodge accommodations for functionally independent seniors who need supports for daily living tasks such as meals, housekeeping and laundry, and who may not want to live alone.

These supported living units are for low to moderate income seniors who cannot afford private options. These supported living units form part of the annual operating subsidy by way of municipal requisition.

Currently, the Meridian Housing Foundation operates the 57-unit Whispering Waters Lodge which is a supported living lodge which the three member municipalities (Parkland County, Town of Stony Plain, and the City of Spruce Grove) provide an annual operating subsidy through an annual requisition of its rate payers. This lodge is located in Stony Plain.

The Meridian Housing Foundation is proposing up to a 102-unit supported living lodge in Spruce Grove and is seeking support from the three municipal members of the foundation as well as funding from the provincial government. This proposal is intended to address a demand gap that exists within the tri regional area.

OPTIONS / ALTERNATIVES:

The City of Spruce Grove could choose not to support the Spruce Grove Lodge project.

CONSULTATION / ENGAGEMENT:

The Meridian Housing Foundation has been before all three municipal councils over the past 12 months.

IMPLEMENTATION / COMMUNICATION:

n/a

IMPACTS:

n/a

FINANCIAL IMPLICATIONS:

Administration is proposing the City's equity portion of \$2,871,850 be provided through unrestricted surplus. At its November Council meeting, Council approved a commitment of \$906,900 from unrestricted surplus due to an overall surplus position in the 2021 fiscal period. Administration anticipates the remaining \$1,964,950 could also be funded from unrestricted surplus as additional year end surplus is anticipated.

Alternatively, Council could debenture borrow its equity portion required for the Spruce Grove lodge and levy this over a 20-year period. Based on the anticipated equity portion and using today's ACFA 20-year borrowing rate, the annual debt servicing is approximately \$207, 960 and

the total cost of borrowing (principle and interest) over the life of the denture is estimated at \$4,159,200.

If Council prefers this funding option, an alternative motion could be made as follows:

THAT the capital equity contribution for the development of the Spruce Grove Lodge be approved as presented and that Administration be directed to bring forward a borrowing bylaw contingent on provincial funding.

STRATEGIC VISION ELEMENT:

Where People Choose to Live - A dynamic city with and exceptional quality of life

RELATED GOAL:

n/a