

**THE CORPORATION OF THE TOWN OF MATTAWA**

**COMMITTEE: FINANCE**

**CHAIRPERSON: COUNCILLOR G. THIBERT**

**DEPT. HEAD: FRANCINE DESORMEAU, CAO/TREASURER**

**TITLE: ROSEMOUNT VALLEY SUITES MORTGAGE FINANCING APPROVAL**

22-26 Draft By-Law                      \_\_\_\_\_ Item                      \_\_\_\_\_ Policy Recommendation

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**Mayor D. Backer and Members of Council:**

Caisse Populaire Alliance Ltée is providing the mortgage financing for the new Rosemount Valley Suites Seniors building at 231 Tenth Street. Council originally approved Resolution Number 21-13 which secured the financing for the project in the amount of \$5,492,000.00.

Repairs to the roof structure were approved in the amount of \$81,900 via Resolution Number 22-16 on March 28<sup>th</sup>, 2022 to be added to the original financing arrangement.

In addition to the roof repairs, common room furniture expenses of \$20,785 as well as recouping the net HST loss to the Town for this project of \$97,221 and taking into account \$50,000 donation from the Caisse Alliance, the revised mortgage financing amount is \$5,641,906.00. The remaining \$25,000 surplus from the Caisse donation is being allocated to the reserves account for this project.

The mortgage amortization period is set at 40 years starting with a fixed 5 year term with an interest rate of 3.39% payable monthly with interest only payments for the first 3 years at a monthly rate of \$15,938.38 and the remaining two years being the principal and interest payments at \$22,315.81.

The Caisse Alliance Ltée waived additional fees for the change in mortgage amount and no additional legal fees are being incurred. Also to note is there are no prepayment limits therefore the mortgage could be paid in full at anytime without incurring additional fees.

A resolution authorizing the financing is required therefore the following is recommended:

**Recommendation:**

**BE IT RESOLVED THAT** Council of the Corporation of the Town of Mattawa approve By-law No. 22-26 which will approve the mortgage financing debt for Rosemount Valley Suites in the amount of \$5,641,906.00 with Caisse Alliance Ltée as per the attached loan agreement details and authorizes the Mayor and CAO to execute the agreement on behalf of the municipality.

Respectfully submitted,

Councillor G. Thibert

**CORPORATION OF THE TOWN OF MATTAWA**

**BY-LAW NUMBER 22-26**

**BEING** a by-law authorizing the signing of a financing loan agreement with Caisse Alliance Ltée to provide for mortgage financing for Rosemount Valley Suites Seniors Facility located at 231 Tenth Street.

**WHEREAS** Subsection 8 of the Ontario Municipal Act 2001, S. O. 2001, c. 25 empowers and authorizes a municipality to enter into an agreement to enable them to govern their affairs as they consider appropriate.

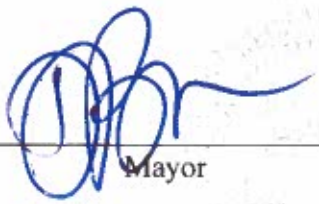
**AND WHEREAS** Caisse Alliance Ltée has agreed to provide the mortgage loan financing in accordance with the provisions in the attached loan agreement as per Schedule "A" to this By-law.


**NOW THEREFORE**, the Council of the Corporation Town of Mattawa enacts as follows:

1. **THAT** the Mayor and CAO are hereby authorized to execute the aforesaid Loan Agreement on behalf of the Council of the Corporation of the Town of Mattawa, in accordance with the terms and conditions referred to in this agreement attached to this By-law and known as Schedule "A".
2. **THAT** this Agreement shall be effective for the entire period of the loan agreement financing terms or until the loan has been paid in full.

READ a first and second time this 11<sup>th</sup> day of July, 2022.

READ a third time and finally passed this 11<sup>th</sup> day of July, 2022.

  
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Mayor

  
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Clerk

