Redwood Park Communities *Hope Through Housing.*

February 4, 2025

To: Mayor Alex Nuttall and The City of Barrie Councillors

C/O: Michelle Banfield, Executive Director of Development Services / Liam Munnoch, Senior Planner (Housing)

Re: CIP Grant 009-2020 – 151 Lillian Crescent, Redwood Park Communities

Dear Mr. Mayor and Members,

Redwood is pleased to advise you that on January 31, 2025, we received our Occupancy Certificate at 153 Lillian Crescent. We can now begin moving 12 families currently experiencing homelessness into this urgently needed housing during some of the most inclement months of the year.

This project has been completed despite significant pandemic-related hurdles that led to cost overruns on the project of more than $1.8 million. The completion of the project was in no small way, supported by the City of Barrie's generosity in providing a $3,000,000 interest-free loan in March 2024 which is due to be repaid by Redwood by December 31, 2025.

With the completion of the project, we are following up on our request to the City's Development Services Department to have development charges and permit fees previously applied to the project, removed in accordance with Ontario Bill 134. This will allow for the release of $510,480 in ***equivalency grant funding*** through the City's Community Improvement Plan (CIP) to Redwood and is consistent with the treatment of the CIP grants provided in support of our Phase-2, 6-unit development at Lucy's Place on Essa Road, in December 2023.

The receipt of these important funds will complement a multi-year, $72 million capital raise underway at Redwood to help bring an additional 150 affordable housing units to the County of Simcoe over the next 4 years, including 135 units in Barrie. The first step in the larger capital raise involves our $10 million Community Housing Bond project that we launched in the Fall of 2024. We have also just signed back a Letter of Interest with one of our current lenders for the recapitalization and consolidation of $6.2 million in short and long-term debt, which we expect to close by the end of February.

These first critical stages of our capital raise are made possible by Redwood's strong balance sheet and history of success in scaling our organization including through financial innovation, to meet the ever-growing need for affordable housing in our communities. Redwood is leveraging its property footprint across the region having an independently appraised value of $18.3 million against just $9.2 million in current and planned encumbrances, to underwrite its near-term financing needs. Our history of purpose and success in this regard is demonstrated by our numbers over our 14-year history:

- 61% average annual growth in revenues compared to just 49% in expenses;
- 40% growth in donations and 120% in fundraising, with close to $2.8 million raised;
- Increased our charitable activities by an average of 81% annually;
- A close to 14-fold increase in the book value of our properties to $10.3 million; and
- An average annual increase in cash of 78%.

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Our Community Housing Bond project is supported by a detailed business and 10-year financial plan that includes among other things, repayment in full of the $3.0 million currently owed to the City of Barrie by December 31st of this year.

The financial participation of the City of Barrie has been vital to our success, and we sincerely appreciate the continuing support of our efforts to bring hope to those in need in our community.

Sincerely,

Tim Kent
CEO

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