

September 12, 2024

Mayor Tanya Thorne and Council
Town of Okotoks
PO Box 20, Station Main, 5 Elizabeth St.
Okotoks, AB T1S 1K1

Subject: D'Arcy Site Unit 1, 200 Sage Way, Okotoks

Dear Mayor Thorne;

My purpose in writing is to follow-up on the meeting which we had on July 17th during which Westwinds Communities reviewed proposed plans to develop the D'Arcy Site for affordable housing. Our meeting, of course, came after the June 2024, Drakes Town grand opening during which we all shared in the very positive comment conveyed by Minister Nixon respecting the leadership role that has been played by the Town of Okotoks.

Recently Westwinds secured an interest free loan from CMHC for \$162,000 which will assist in completing the 40 unit design of unit #3. In addition, we have reviewed the opportunity to develop Unit 1, following our meeting with you, which focused on requesting variances to the CMHC Accelerator Funding Program and the province's Affordable Housing Partnership Program (AHPP). As well, Westwinds has been updating construction costs and has been successful with the potential donor in retaining his engagement on down scaling and relocation his project to unit #3 to reflect 40 units of housing for AISH recipients and low and modest singles/couples.

Westwinds recognizes our resources are limited and we find ourselves in a marketplace of considerable cost escalation and limited funding opportunities. We have determined the mostly viable scenario is to pursue the development of Units #2 & #3 which Westwinds already owns. In order to develop 50 units on these two sites, we will likely have to sell most of the current single family affordable housing in Okotoks that we operate.

Unfortunately, Westwinds is no longer able to pursue the development of Unit #1 and is therefore withdrawing its interest in securing the land due to our financial limitations and a lack of success in obtaining provincial AHPP funding in 2024. In order to market Unit #1, we have shared the conceptual design with Town administration in the hopes it will assist in identifying successful proponents to the develop the site.

Westwinds will continue to pursue CMHC Affordable Housing Program and AHPP funding programs this fall and into January 2025 for the development of 50 units. Our intent if successful is to start construction following the execution of these funding arrangements.

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In closing, I want to thank you for the interest you continue to show in our project and the leadership that that you have provided to Westwinds as we attempt to get these vital projects completed. Of course, if you have any questions or concerns, please feel free to contact me or Lauren Ingalls, CAO at lauren.ingalls@westwindscommunities.ca or alternatively at 403.652.8600.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Herring', is positioned above the printed name.

Don Herring
Chairperson