

November 3, 2015

To: Members,  
Finance and Administration Committee

Re: Provincial Affordable Home Ownership Program (AHOP)

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**RECOMMENDATION**

1. That the Executive Director of the City Planning and Development Division be authorized to enter into a revenue agreement with the Saskatchewan Housing Corporation on behalf of the City of Regina, so that the City of Regina may receive a final payment from the Saskatchewan Housing Corporation in the amount of \$253,291 for the City of Regina's enrollment in the Affordable Home Ownership Program.
2. That once the City Solicitor has reviewed the agreement, the City Clerk be authorized to sign on behalf of the City.
3. That this report be forwarded to the November 23, 2015 City Council meeting.

**CONCLUSION**

It is recommended that the Executive Director of City Planning and Development be authorized to enter into a revenue agreement with the Saskatchewan Housing Corporation (SHC), so that the City of Regina (City) can receive its final payment of \$253,291 for the City's enrollment in the AHOP.

**BACKGROUND**

In 2013, the City enrolled in the AHOP program through SHC to assist the City in stimulating home ownership, in accordance with the City's Housing Incentive Policy. The City received past payments from SHC through the AHOP for approved applications in 2012 and 2013; however, \$253,291 is still owing for approved applications in 2014. The program was discontinued at the end of 2014.

**DISCUSSION**

AHOP criteria aligned with the City's Housing Incentives Policy Capital Grant Program for home ownership. The AHOP provided funding to assist municipalities in stimulating home ownership. The SHC matched the municipal contribution with a grant of up to the lesser of the education portion of property tax for five years or \$5,000. Funding was available on a first come, first-served basis.

The municipality had to have a home ownership program which supported the acquisition of a new principal residence. The program had to include the following elements:

- 1) The new homeowner:
  - Must have household income tested and the household must be of moderate-income. Municipalities must have a definition of moderate-income for households which cannot exceed the level specified by SHC – which may change from time to time. As of October 1, 2014, the maximum annual household income is \$78,400; and
  - Must complete a home ownership training course.
- 2) The municipality must participate financially and fund their program using amounts equivalent to the new homeowner's property taxes, including the municipal and the school division's portions (i.e. educational property tax) or other equivalent contributions (i.e. land). Eligible units are limited to new construction or units converted from non-residential to residential use. Units that are under construction or completed but have not been occupied for residential use are eligible.

As the *Administration Bylaw* restricts the Executive Director from entering into revenue agreements where the City would receive a payment in excess of \$100,000, City Council approval is required to enter into this agreement and to accept this payment. With the AHOP program ending in 2014 and likely will not be renewed, no further revenue agreements are anticipated.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

AHOP provided a grant to municipalities' equivalent to the five-year education tax for a residential unit where the City has provided capital funding for affordable home ownership. The final payment to be provided from the Provincial government for capital grant units issued in 2014 is \$253,291. The funds received from AHOP final payment will be transferred to the City's Social Development Reserve and be used to fund the *Housing Incentives Policy*.

Through AHOP the City received \$112,999 in 2013, \$220,838 in 2014 and will receive \$253,291 for 2015, bringing the total contribution to \$587,128. On a per unit basis, the City received on average \$3,943/unit for 2012-2013 and \$3,782/unit for 2014. The City's contribution was \$10,000 or \$15,000 per affordable ownership unit depending on whether or not unit was funded under the 2013 or 2014 Housing Incentives Policy.

### Environmental Implications

None with respect to this report.

### Policy and/or Strategic Implications

The recommendations of this report strongly align with Section 1.14 of *Design Regina: The Official Community Plan*, which directs the City to work with other levels of government to secure funding for both the capital and operating needs of the City.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

None with respect to this report.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,

A handwritten signature in dark ink, reading "Shanie Leugner".

Shanie Leugner, A/Director  
Planning

Respectfully submitted,

A handwritten signature in blue ink, reading "Diana Hawryluk".

Diana Hawryluk, Executive Director  
City Planning & Development

Report prepared by:  
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