

# Corporate Policy

100 Newport Drive, Port Moody, BC, V3H 5C3, Canada  
Tel 604.469.4500 • Fax 604.469.4550 • www.portmoody.ca

Section:	Social Planning	10
Sub-Section:	Affordable Housing	5080
Title:	Affordable Housing Reserve Fund – Guidelines for Allocation of Funds	01

## Related Policies

Number	Title
10-5080-02	Strata Conversion Policy

## Approvals

Approval Date: March 8, 2016	Resolution #: <u>RC16/100</u>
Amended: September 19, 2017	Resolution #: <u>RC(CW)17/031 (CW17/117)</u>
Amended: February 8, 2022	Resolution #: <u>RC22/052</u>
Amended:	Resolution #:

## Corporate Policy Manual

### Affordable Housing Reserve Fund – Guidelines for Allocation of Funds

## Policy

This Policy sets out guidelines for the allocation and distribution of funds held in the City's Affordable Housing Reserve Fund (AHRF) to projects that include the provision of affordable housing units, provide funding for rent banks, or fund staff salaries and City projects that support the development of affordable housing strategies. In determining the allocation of funds from the AHRF, the waiving any of the guidelines set out below will be subject to the discretion of Council.

## Definitions

**Affordable Housing (Unit)** is a unit that is affordable to low- and moderate-income households and shelter costs no more than 30% of gross household income.

**Dwelling Unit** means one or more habitable rooms, constituting one self-contained unit with a separate entrance, used, or intended to be used as a residence by one (1) or more persons and containing cooking, eating, living, sleeping, and sanitary facilities.

**Low-income Household** is a household that is considered low-income by the Housing Income Limits (HILs) as published by BC Housing on an annual basis.

**Market-Renter Household** is a household that rents a dwelling unit based on current market prices.

**Moderate-income Household** is a household with incomes below 80% of the median income for Metro Vancouver as defined from time to time.

**Rent Bank** is a program that provides market-renter households interest-free loans to maintain tenancy in a dwelling unit through rental payment assistance, a utilities payment, or security deposit.

## Procedures

The following guidelines will apply when considering the allocation of funds held in the City's AHRF:

1. All requests for the use of AHRF funds will be subject to Council approval.
2. To qualify for use of AHRF funds, the proposed project must supply Affordable Housing for Low- and Moderate-income single-parent, family, and single-person households, provide funding for Rent Banks supporting Market-Renter Households, or fund staff salaries and City projects that support the development of Affordable Housing strategies.
3. The AHRF funds can be used towards the following:
  - a) The acquisition of land by the City for Affordable Housing projects;
  - b) The leasing of land at below-market rates for Affordable Housing projects;
  - c) To offset development application and building permit fees associated with a qualifying project;
  - d) To offset Development Cost Charges, or any other such amenity related contributions to which the project would be subject;

## Corporate Policy Manual

### Affordable Housing Reserve Fund – Guidelines for Allocation of Funds

- e) To provide interest-free loans to Market-Renter Households in Port Moody through a local Rent Bank to maintain tenancy in their Dwelling Unit through rental payment assistance, a utilities payment, or security deposit; and
  - f) To fund staff salaries and City projects that support the development of Affordable Housing strategies.
4. Preference will be given to projects that provide Affordable Housing units for Low-income Households. The types of projects that will have priority for funding are ranked as follows:
- a) Developments that have market-rental and affordable-rental housing units as part of the same development;
  - b) Developments that include a mix of strata units with market-rental and affordable-rental units will also be considered for funding on a case-by-case basis; and
  - c) Other forms of development that would provide for Low- and Moderate-income Households, including, but not limited to, stand-alone Affordable Housing developments (both affordable units for rent and purchase) will also be considered on a case-by-case basis.

Other factors that will be used when considering which projects will have priority for fund contribution shall include:

- a) The proximity of the project to frequent transit service;
  - b) The level of subsidy being proposed for the units;
  - c) The provision of support services, particularly services focused on building the capacity of individuals to improve their housing situation, in order to facilitate the movement of households up the housing continuum;
  - d) The provision of family-friendly units (two- or three-bedroom units); and
  - e) The provision of accessible and/or adaptable features.
5. Port Moody residents will receive priority placement.
6. Projects targeting senior citizens must be designed to meet the standards set out for adaptable dwelling units, as defined in the *BC Building Code*.
7. The use of the funding will be considered on an ongoing basis to best utilize funding and partnership opportunities as they arise.
8. Projects will be encouraged to demonstrate partnership between senior levels of government, non-market housing providers, and private industry.
9. Projects shall demonstrate confirmed sources of primary capital and operating funding.
10. Applicants must be able to provide evidence of having experience in housing development and management involving affordable/subsidized units and must be able to provide financial statements and records in support of this.
11. The allocation of funds will be considered on a case-by-case basis and determined according to specific factors associated with the proposed project (e.g., whether the project is targeted at low or moderate incomes, ratio of market to affordable units, etc.). Withdrawals from the AHRF for a particular project will not exceed 50% of the balance of the Fund and will not exceed \$10,000 per Affordable Housing unit to be provided.
12. A list of community stakeholders interested in the potential use of AHRF funds will be established. Where opportunities arise for use of the funds, notification will be sent to these groups. A competitive Request for Proposals process will be used to determine fund allocation.

## **Corporate Policy Manual**

### Affordable Housing Reserve Fund – Guidelines for Allocation of Funds

13. A Housing Agreement will be required to ensure the affordability of the housing units on a long-term basis.

## **Monitoring/Authority**

The City reserves the right to accept or reject any application for funding without limitation.

This Policy will be reviewed on an annual basis by the City's Planning Division to ensure its effectiveness and compliance with legislation and evolving best practices.