

 Town of <b>CANMORE</b>	<b>Council Policy</b>
<b>Policy Title:</b>	Vital Homes
<b>Policy Number:</b>	PD-008
<b>Date in Effect:</b>	July 6, 2021

**POLICY STATEMENT**

1. The Town of Canmore has made affordable housing a priority in its Municipal Development Plan. The provision of affordable housing that addressed the needs of moderate-income Canmore working households unable to afford to purchase or rent accommodation on the open market, is key to creating a more diverse and inclusive community.

**PURPOSE**

2. This policy outlines the program requirements and funding sources that shall be used to further the Town’s affordable housing goals by means of the provision of Vital Homes.

**DEFINITIONS**

3. In this policy:
  - a) “Area Median Income (AMI)” refers to the median income of Canmore as determined from Statistics Canada data,
  - b) “business community” refers to any person or company that receives a tax assessment under the non- residential assessment code, and includes commercial, industrial and institutional uses.
  - c) “CCH” refers to the Canmore Community Housing,
  - d) “eligibility criteria” refers to qualifications which prospective Vital Home owners and tenants must meet in order to qualify to purchase or rent a Vital Home unit,
  - e) “Moderate Income” means an income level close to the median income in Canmore, which generally includes household incomes between 80% and 120% of the AMI,
  - f) “partnership agreement” refers to the terms which govern both partners (providers and the Vital Home unit owner or tenant) once a Vital Home unit has been purchased or rented,
  - g) “primary residence” means the residence that is the place the applicant will ordinarily and continually occupy as a residence on a full-time basis, as determined by the Town or the provider,

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- h) “provider” means an organization authorized by the Town through a funding, agency or other agreement, to administer Vital Home own and rent programs. This includes, but is not limited to, the CCH,
- i) “reserve fund” is an account established by the Town that receives monies to be used for the specific and sole purpose of developing ownership or rental Vital Home projects or facilitating any aspect of constructing, producing or delivering Vital Home units,
- j) “Vital Home(s)” is a range of housing types that shall be made available to eligible persons at below market purchase prices and rental rates, and be maintained as the occupants’ primary residence, and
- k) “waitlist” refers to a list of people who have met the eligibility criteria, but who cannot purchase or rent a Vital Home unit because there are no suitable units available.

**GUIDING PRINCIPLES**

- 4. Vital Homes shall be:
  - a) housing with price and resale or rental rate restrictions,
  - b) restricted to people who are qualified, based on employment, residency, income, asset, and other qualifications as determined from time to time,
  - c) restricted by occupancy, resale and rental price, and buyer or tenant eligibility criteria,
  - d) provided to meet the demand based on a variety of income levels above the level of social housing and below the level of market housing,
  - e) provided for those who are unable to afford to purchase or rent suitable housing on the open Canmore real estate market,
  - f) provided in a diversity of locations across the community, and
  - g) in various housing forms including accessory suites, apartments, townhouses, and multiplexes.
- 5. Build & Price Guidelines are intended to provide operational and practical clarity regarding the provision of Vital Home units so that they are both appropriate and affordable to households.

**VITAL HOMES RESERVE GUIDELINES**

- 6. The reserve fund shall be accessed only to:
  - a) use as working capital to build or contract the building of Vital Homes projects,
  - b) purchase land and service land that Vital Homes will be constructed on,

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- c) use as equity on rental units,
  - d) used to reduce the sales price of equity units, or
  - e) facilitate any aspect of delivering Vital Homes units within the town of Canmore.
7. All monies received as part of this Vital Homes Policy will be used to further the development of Vital Homes within the Town of Canmore.
  8. The reserve fund is an interest-bearing reserve and all interest is to accrue to the Fund.
  9. All contributions net of the annual operating costs associated with CCH will be transferred to the reserve fund.
  10. Annual contributions to the reserve fund may be as follows:
    - a) Residential Property Owners
      - i) The residential property owners' contribution is expected to be collected via a fixed residential mill rate established each year by council.
    - b) Business Community (Non-Residential Property Owners)
      - i) The business community contribution is expected to be collected via a fixed non-residential mill rate established each year by council.
  11. Any year-end surplus may be contributed to the reserve fund as directed by council.

**PROGRAM GUIDELINES**

12. Providers shall establish eligibility criteria and administer an application process consistent with section 4 of this policy.
13. Eligibility criteria shall include requirements related to: age and Canadian legal status; a connection to Canmore through employment and/or residency; and the need for affordable housing through income and/or asset limits. Specific eligibility criteria requirements must be contained in funding, agency or other agreements between the Town and the provider.
14. Once an applicant household has been approved as meeting the eligibility criteria and there are no Vital Home units available to purchase or rent that meet the applicant household's requirements, the provider shall maintain a waitlist.
15. As long as the eligibility criteria are met, no one (including any elected official; municipal, provincial, or federal government employee; member or employee of a provider) is ineligible by virtue of their job or volunteer position.
16. Providers shall enter into a legal agreement with purchasers and renters of Vital Homes, which will govern the terms of ownership and tenancy. Specific terms of the Vital Homes partnership

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agreement will be contained in the appropriate and standardized agreements at the time of purchase, which may take the form of a memorandum of lease, joint ownership agreement, option agreement, restrictive covenant, mortgage or a tenancy agreement.

- 17. The legal agreement shall contain a residency requirement. The residency requirement is that the Vital Homes unit be the occupants' primary residence, with no rentals or sub-letting allowed without prior written consent from the provider.
- 18. For ownership programs, the legal agreement shall specify terms and conditions of resale, including administration fees and restrictions on buyers and the resale price.
- 19. For rental programs, the legal agreement shall specify terms and conditions of rent including lease terms, rents, fees, and use and occupancy restrictions

**BUILD & PRICE GUIDELINES**

- 20. The Build & Price Guidelines will specify minimum sizes, required amenities by unit type and affordable purchase price of an ownership Vital Homes unit relative to AMI.
- 21. The Build & Price Guidelines shall be used by providers, developers or partners that are providing Vital Home units.
- 22. The design build price specified in the Build & Price Guidelines shall be adjusted annually in keeping with the Q4 Statistics Canada Building Construction Price Index for Calgary.
- 23. The Build & Price Guidelines should be reviewed every two years.
  - a) The review shall include representatives from CCH, the Town of Canmore, and BOWDA.
  - b) The scope of the Build & Price Guideline review shall include:
    - i) Builder specifications, and
    - ii) Design build price.
  - c) The review shall include input from an independent Quantity Surveyor, and price guidelines shall be confirmed through either the Statistics Canada Building Construction Price Index for Calgary or the Quantity Surveyor.
- 24. The Town's General Manager of Municipal Infrastructure may approve in-year adjustments in the case of exceptional circumstances. Such adjustments must be supported by either the Statistics Canada Building Construction Price Index for Calgary, or an independent Quantity Surveyor. In-year adjustments will not be captured in or 'rolled-over to' annual adjustments.

**RESPONSIBILITIES**

- 25. Council's responsibilities include:

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- a) establish and administer the Vital Home Reserve Fund, and
- b) obtain a recommendation from the CCH Board, prior to the use of any funds from the reserve fund.

26. Administration’s responsibilities include:

- a) report on the reserve fund in the Town’s annual financial statements, including a detailed reporting of revenue into and expenditures from the fund,
- b) determine the contribution amount from each sector for the development of Vital Homes on an annual basis during the Town’s budget process, and
- c) review the Build & Price Guidelines every two years.

**POLICY REVIEW**

27. This policy will be reviewed by Council on or before July 30, 2025.

**RELATED DOCUMENTS**

28. Bylaw 2016-03 Canmore Municipal Development Pan

**ATTACHMENTS**

None

**REPEALS POLICY:** Perpetually Affordable Housing Policy PD008 approved June 2, 2005

**AUTHORIZATION:**



John Borrowman  
Mayor



Cheryl Hyde  
Municipal Clerk

**REVISION HISTORY**

Action	Date	Council Motion	Notes
Approved	2021-07-06	176-2021	

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