

# Standard

## Not for Profit Affordable Housing Tax Grant

*This standard falls under the City Administration Bylaw, Bylaw 16620, s9(b) and the Not for Profit Affordable Housing Tax Grant Program*

<b>Program Impacted</b>	Financial Sustainability <i>The City of Edmonton's resilient financial position enables both current and long-term service delivery and growth.</i>  Social Support <i>Edmontonians have what they need to succeed.</i>
<b>Approved By</b>	City Manager
<b>Date of Approval</b>	April 26, 2023
<b>Approval History</b>	n/a
<b>Next Scheduled Review</b>	2025

### 1. PURPOSE

- 1.1 This Standard is intended to guide the administration of the Not for Profit Affordable Housing Tax Grant Program.
- 1.2 This Standard should be read in conjunction with the *Program Guide (to be linked)*.

### 2. DEFINITIONS

#### 2.1 In this Standard:

- 2.1.1 "Act" means the *Municipal Government Act*, RSA 2000 Chap M-26.
- 2.1.2 "Applicant" means the entity that is applying for the Grant.
- 2.1.3 "Grant" means a grant established pursuant to City of Edmonton Not for Profit Affordable Housing Tax Grant Program.
- 2.1.4 "Grant Decision Maker" means the Manager, Project Development, of the Social Development Branch, Community Services.

2.1.5 "Management Body" means a management body as established under the Alberta Housing Act, RSA 2000 Chap A-25;

2.1.6 "Owner" means any individual or corporation that is listed as the assessed person under Section 304 of the Municipal Government Act (either the owner of the Property or the lessee of a Property owned by a government entity) and includes a Management Body acting on behalf of an owner.

2.1.7 "Program Guide" means the Not for Profit Affordable Housing Tax Grant Program Guide that was originally provided to City Council on June 27, 2022 and which has been updated since that date.

2.1.8 "Program Team" means a cross departmental team made up of members of the Assessment and Taxation, and the Social Development Branch supported by shared service Branches.

2.1.9 "Property" means the property for which the grant is sought.

2.1.9 "Municipal Property Taxes" means municipal property taxes and community revitalization levies charged in accordance with Part 10 of the Act, but does not include any provincial education taxes or requisitions, local improvements or special taxes.

### 3. ELIGIBILITY REQUIREMENTS

3.1 An Applicant that meets the following criteria shall be eligible to qualify for the Grant:

- The Applicant must meet the requirements in the Program Guide that the Applicant is an Owner of the Property or a management body acting on behalf of an Owner;
- The Property for which the application relates must be providing residential housing accommodation to the public;
- The portion of the Property for which a grant is being sought is not otherwise exempt from municipal taxation;
- A minimum of at least 25% of the units on the Property must qualify as one or more of the following types of Housing:
  - Government Supported Housing: A Property for which there is an agreement in place with a level of government that the Property will provide affordable or supportive housing for a defined period of time. The agreement may relate to some form of grant or subsidy, or any other type of agreement that requires the Property to remain as affordable or supportive housing. The Property will only qualify during the term of the legal agreement. This category includes agreements with the Canada Mortgage and Housing Corporation.
  - Other Permanent Affordable Housing: A Property which provides long term occupancy to individuals where the rent that is charged is limited by some enforceable legal agreement or

requirement to a maximum of either 80% of the rental rate that the Property would be expected to receive in the open market, or to no more than 30% of the pre-tax gross household income of the residents. The Property will only qualify during the term of the legal agreement.

Government supported housing and other permanent affordable housing can include:

- Transitional Housing: A Property that provides temporary housing for individuals experiencing and struggling with homelessness in order to find them permanent housing. This type of housing will typically allow stays between 1 week and 6 months.
- Supportive Housing: A Property which provides either temporary housing or long term occupancy where support services are provided at the Property for people with high needs related to issues including physical or mental health, developmental disabilities or substance use.
- Properties that restrict or give precedence to who can use the Property to certain ethnic groups or cultures are not disqualified from the grant.
- While grant eligibility will be based on Property as a whole, the grant will be pro-rated so that it is payable only on the units within the Property that meet the criteria outlined above. The grant shall not take into account any portion of the Property which has a non-residential/commercial use and will not apply to any units or portion of a Property that is already exempt from municipal taxation.

3.2 An Application may be refused if there are significant legal issues associated with the Property including

- There are any development compliance issues or safety code issues associated with the Property;
- The Owner is involved in any litigation with the City, excluding any litigation surrounding the assessment or exemption status relating to taxes;
- The Owner is involved in any litigation relating to the Property including foreclosures;
- Other properties owned by the Owner or a related entity are the subject of foreclosures;
- The Owner or an entity related to the owner is in bankruptcy or receivership;
- There is a dispute with the Owner about whether the Owner is abiding by the terms of any other grant of financial assistance that the Owner has received from any level of government.

#### 4. APPLICATION REQUIREMENTS

4.1 An Applicant may apply at any time during the taxation (calendar) year by filling in an application made available by the City of Edmonton.

4.2 The Applicant shall provide the following information:

- The Applicant's name and the name of the Owners of the Property if not the Applicant;
- The Property location;
- Contact information;

- The nature of the Property and how it qualifies for the grant;
- The documentation that will show it meets the eligibility requirements for grant.

4.3 While not all Owners of the Property shall be required to apply, where there are multiple Owners of the Property, confirmation that all Owners know about, and agree with, the application for the Grant is required.

4.4 In addition to the application requirements, if it is determined that additional information is required from the Applicant, the Grant Decision Maker, or The Program Team, in their sole discretion, may require the Applicant to provide whatever additional information is required to make a decision about the Grant.

## 5. GRANT APPROVAL

5.1 Once an application is complete, the Grant Decision Maker shall decide whether to approve the grant and is given the delegated ability to do so up to a maximum amount of \$250,000 per Property per year. In the event that a grant exceeds \$250,000 the grant must be approved in accordance with the delegations in the Common Authority Chart of the Delegation of Authority Order.

5.2 A Grant may be approved if, based on the information available to the City:

- The Application has been fully completed;
- The Property meets all eligibility requirements;
- There are no tax arrears associated with the Property;

5.2.1 An Application may be refused if there are significant legal issues associated with the Property including

- There are no development compliance issues or safety code issues associated with the Property;
- The Owners of the Property are not involved in any significant litigation with the City either directly, or indirectly through a related corporate entity;
- The Owners of the Property are not involved in any litigation relating to the Property including foreclosures or builders liens;
- The Owners of the Property are not, and are not related to any entity, that is in bankruptcy or receivership;
- The Owners of the Property are not associated with any properties that are the subject matter of foreclosures;
- There are no disputes about whether the Owners are abiding by the terms of any other grants provided by an order of government; and

5.3 A Grant will only be approved, if in the opinion of the Accountant assigned to oversee the budget for the program determines that there is sufficient funding approved by Council to pay for all Grants approved under the program.

## 6.0 ONGOING GRANTS

6.1 Once a Grant has been approved, the Grant Decision Maker may decide to waive the application requirements for the Property in subsequent years if they are satisfied that the operation of the Property is unlikely to change.

6.2 Despite waiving the application requirement for subsequent years, the Grant Decision Maker must satisfy itself that the Property continues to meet the requirements for a Grant.

6.3 Despite waiving the application requirement, the Grant Decision Maker or the Program Team may continue to ask the Owner for information to ensure that the Grant criteria has been met.

## 7.0 CALCULATION AND PAYMENT OF THE GRANT

7.1 The amount of the Grant shall be based on the formula to calculate the Grant in the Program Guide.

7.2 Upon approval and calculation of the Grant, payment shall be issued by crediting the Grant directly to the tax roll for the Property.

7.3 If a Property no longer qualifies before the end of a taxation year, the Grant Decision Maker may remove all or part of the grant credit for the current taxation year from the tax roll.

## 8. RESPONSIBILITIES

### 8.1. DEPUTY CITY MANAGER OF COMMUNITY SERVICES:

8.1.1. In conjunction with the Deputy City Manager of Financial and Corporates Services, oversees the Program, including but not limited to the evaluation of the Program and the financial support awards.

### 8.2. DEPUTY CITY MANAGER OF FINANCIAL AND CORPORATE SERVICES:

8.2.1 In conjunction with the Deputy City Manager of Community Services, oversees the Program, including but not limited to the evaluation of the Program and the financial support awards.

### 8.3. BRANCH MANAGER OF ASSESSMENT AND TAXATION

8.3.1 Designates branch members to be on the Program Team.

### 8.4. BRANCH MANAGER OF SOCIAL DEVELOPMENT

8.4.1 Designates branch members to be on the Program Team.

### 8.5 MANAGER, PROJECT DEVELOPMENT OF SOCIAL DEVELOPMENT

8.5.1 Makes decisions relating to the Grant including whether to approve the Grant.

8.5.2 Oversees the Program Team in the administration of the Grant.

## 8.6 BRANCH MANAGER OF FINANCIAL SERVICES

8.6.1 Designates branch members to be on the Program Team.

8.6.2 Assigns the staff whose role is to oversee the budgeting of the program.

## 8.7 PROGRAM TEAM

8.7.1 Working under the authority of the Manager, Program Development, Social Development Branch, Community Services, and their own applicable branch managers, the Program Team:

8.7.1.1 Gathers information from the Grant application.

8.7.1.2. Communicates and gathers additional information from Applicants as required to make decisions on Grant applications.

8.7.1.3 Ensures that the Grant is credited to the Property tax roll

8.7.1.4 Performs any other required duties to ensure the Program operates in an efficient and timely manner.

## 8.8 LEGAL SERVICES

8.8.1 Assists the Program Team and branch managers with legal issues associated with the Program.