



**CANMORE COMMUNITY
HOUSING CORPORATION**

Board of Directors Meeting Agenda

**March 18, 2010
5:30 pm – 7:30 pm
CCHC Boardroom**

1. Approval of Agenda
2. Approval of February 11, 2010 Minutes
3. Business Arising from Minutes
4. Committee Reports
 - a. Executive Committee – none
 - b. Communication Committee
 - i. Terms of Reference: Guiding Directives Review
 - c. PAH Demand Assessment Committee
 - i. Eligibility Criteria Review: Recommendation to Board for discussion and approval
5. Report from Managing Director - *for information*
6. New Business
7. In Camera
 - a. Draft Audited Statements
 - b. Contract Issue
 - c. Intergovernmental Issue
8. Direction to Council
9. Next meeting dates:
 - a. Board meeting April 15 2010
 - b. Annual General Meeting - tbd
10. Meeting adjournment

A majority of the Directors in office shall constitute a quorum. In the case of an equality of votes, the Chair shall be entitled to a second or casting vote.



**CANMORE COMMUNITY
HOUSING CORPORATION**

**Board of Directors Meeting Minutes
DRAFT FOR APPROVAL**

**Thursday, February 11, 2010
CCHC Boardroom**

Board members in attendance:

Cathy-Anne David
Andre Gareau
Karen Greene

Kimber Meister
Eric Ostman
Brent Rosvold

Regrets: Shane Jonker, Heather Schilling

Others Present: Jennifer Bisley, Managing Director CCHC

There being a quorum, Cathy-Anne David called the meeting to order at 5:35 pm.

1) Agenda Approval

Moved by Karen Greene to approve the agenda as presented.
Carried unanimously.

2) Review and Approval of Minutes

Motion 2010.3

Moved by Andre Gareau that the Board approve the Minutes of the January 14, 2010 Board meeting as presented.
Carried unanimously.

3) Business Arising from Minutes: update given on motions and directions from previous meeting.

4) Committee Reports:

a) Executive Committee: verbal report presented.

The Treasurer is working with the Managing Director on the annual financial audit and draft financial policies. The Vice-Chair is working with the Managing Director on the annual application audit.

b) Communications Committee: verbal report presented.

Committee meeting scheduled for February 24, 2010 to discuss the draft terms of reference for an upcoming CCHC Strategic Planning session.

c) PAH Demand Assessment Committee: verbal report presented.

Committee meeting scheduled for February 22, 2010 to initiate the annual eligibility criteria review and provide final comment on the draft PAH demand survey.

5) Report from Managing Director

Managing Director's Report presented, discussed and accepted for information.



**CANMORE COMMUNITY
HOUSING CORPORATION**

6) New Business

Moved by Eric Ostman to go in camera at 6:16 pm. Carried unanimously.

7) In Camera

- a) Legal issue
- b) Audit
- c) Intergovernmental issue

Original agenda item 7(e) Personnel issue moved to 7(d); Agenda item 7(d) Intergovernmental issue moved to 7(e)

Jennifer Bisley left the meeting at 7:25pm

- d) Personnel issue

Jennifer Bisley returned to the meeting at 7:40pm

- e) Intergovernmental issue

Moved by Kimber Meister to come out of camera at 7:56 pm. Carried unanimously.

- 8) Direction to Council: That CCHC will schedule a Shareholders meeting on April 13, 2010 and that CCHC will provide input to the Town regarding the Land Use Bylaw and references to perpetually affordable housing (PAH) as appropriate.

- 9) Next Meeting Dates: March 11 and April 15, 2010.

10) Motion to Adjourn

Moved by Brent Rosvold to adjourn the meeting at 8:00 pm
Carried unanimously



CANMORE COMMUNITY
HOUSING CORPORATION

Terms of Reference

REVIEW OF GUIDING DIRECTIVES: Vision, Mission, Values and Mandate

INTRODUCTION

The Canmore Community Housing Corporation (CCHC) would like to retain the services of a Consultant to guide the CCHC Board of Directors and staff in a review of the organization's guiding directives, specifically the vision, mission, values and mandate statements.

BACKGROUND

Canmore Communication Housing Corporation is a non-profit corporation committed to the social sustainability of Canmore and a key partner in identifying and providing housing options for the community. CCHC administers the Town of Canmore's Perpetually Affordable Housing (PAH) Program consisting of 41 ownership and 60 rental homes, undertakes research, and provides education and advice on a range of community housing issues and initiatives.

Established in 2000, CCHC is wholly owned by the Town of Canmore as shareholder and is structured to operate at an arm's length from the Town. The CCHC Board consists of six public members and two Council member representatives and there are two full-time staff members - the Managing Director and Office Administrator.

CCHC experienced a significant shift in direction in 2008 with the removal of housing development from its mandate. Since then, it has become apparent that the directives – the mission, vision, values and mandate – are not aligned, are not clearly understood by internal or external stakeholders, and do not provide clear direction for the organization's strategies and activities.

In addition, the 2009/10 CCHC Communication Plan identified that the lack of a long-term vision inhibits CCHC's ability to achieve its communications objectives.

As a result, a review of the guiding directives was identified as a priority in CCHC's 2010 Business Plan.

PROJECT SCOPE

The Consultant is to plan and implement a process for a review of the organization's guiding directives by the CCHC Board and staff, and is to document the results.

CONSULTANT TASKS

1. Planning: The Consultant is to plan the process in consultation with the CCHC Communications Committee and the Managing Director. This phase would include a review of appropriate organizational and community documents for background information (up to 2 days).
2. Implementation: The Consultant is to facilitate discussion of the CCHC Board and staff in an appropriate format (up to 2 days).
3. Documentation: The Consultant is to document the new guiding directives to be approved by the Board (up to 0.5 days).

Note that all times are estimated for proposal purposes only and may differ during the consulting process.

INFORMATION AVAILABLE

The following documents are available from CCHC:

INTERNAL DOCUMENTS

1. CCHC 2010-2012 Business Plan
2. CCHC 2009/10 Communication Plan
3. CCHC Strategic Plan (2005)
4. CCHC Articles of Incorporation

COMMUNITY DOCUMENTS

5. Town of Canmore Comprehensive Housing Action Plan
6. Town of Canmore Perpetually Affordable Housing (PAH) Policy
7. Town of Canmore 2010 Business Plan
8. Mining the Future: A Vision for Canmore

OTHER INFORMATION

General information on CCHC and the PAH Program can be found at www.canmorehousing.ca

PROPOSED PROJECT SCHEDULE

MILESTONE	DATE
Initialization meeting	Before March 26, 2010
Plan approval by CCHC Board	April 15, 2010 CCHC Board meeting
Discussions complete	Before May 31, 2010
Directives approved	June 2010 Board meeting (tbd)

Note that all dates are estimated for proposal purposes only and may differ during the consulting process.

FEES

Total costs including hosting not to exceed \$2,500. Fee schedule negotiable.

CONSULTANT CRITERIA

The Consultant must have excellent planning and facilitation skills and a general understanding of the local social and political environment is preferred.

CONTACT PERSONNEL

Jennifer Bisley, Managing Director, CCHC
Phone: 403.609.9983
Email: jbisley@canmorehousing.ca



BOARD MEETING DATE: March 18, 2010

SUBJECT/TOPIC: Annual PAH Eligibility Criteria Review

PURPOSE: Make a recommendation to Council

RECOMMENDATION:

1. That the CCHC Board recommend to Council that no changes be made to the Eligibility Criteria (section 6) or to the PAH Partnership Agreement (section 7) of the *PAH Policy* (May 12, 2009)
2. That the CCHC Board direct the Managing Director to prepare a draft revision of the *CCHC Palliser Village Rental Eligibility Criteria* for Board approval.

BACKGROUND:

The Town of Canmore *PAH Policy* (May 12, 2009) states:

- 6.14 CCHC will ensure regular reviews of the PAH Eligibility Criteria and PAH Partnership Agreement, at a minimum annually. CCHC will identify Eligibility Criteria and Partnership Terms which do not appear to be synchronized with the local demand for PAH, consult with external groups, and recommend to Council appropriate changes to the PAH Eligibility Criteria and/or the PAH Partnership Agreement.
- 6.15 The Eligibility Criteria contained in this Policy may be altered either generally, or specifically with respect to a particular PAH project or development, only with the approval of Council.

The PAH Demand Assessment Committee was established by CCHC (Motion 2009.35 October 15, 2009) with the mandate to provide advice to the CCHC Board in relation to the annual review of PAH Eligibility Criteria. The Board is to consider the Committee's recommendations prior to making its own recommendations for any changes to Town policy.

There are currently three (3) categories for which there are eligibility criteria: 1) PAH Ownership; 2) PAH Rental; and 3) The Hector at Palliser Village Rental.

There are current two (2) policies that pertain to three (3) categories of eligibility criteria:

1. The *PAH Policy* contains the 1) PAH Ownership and 2) PAH Rental eligibility criteria. As the PAH Rental criteria is not yet in use, it is not a central part of this annual review.
2. The *CCHC Palliser Village Rental Eligibility Criteria*, Resolution 245-2008 approved by Town Council in July 2008, contains the eligibility criteria for The Hector at Palliser Village rental development.

Both documents are attached.

Eligibility Criteria

General PAH eligibility criteria were last reviewed in April 2009. CCHC recommendations were approved by Council and incorporated in the May 2009 *PAH Policy*. The following changes were made:

- Inclusion of a new category of criteria for general PAH Rental
- Employment and residency criteria were combined to allow applicants to qualify not only if they live AND work in Canmore, but also if they only live in Canmore for a minimum of five years or work here as full-time permanent employees for at least six months.
- Income was changed to be tied to median income levels instead of maximum PAH resale values.

The Hector at Palliser Village eligibility criteria were proposed solely in the context of the Palliser Village site during the initial occupancy phase.

PAH Partnership Agreement

The policy also refers to a review of the PAH Partnership Agreement, Section 7 of the *PAH Policy*, which outlines the general terms and conditions such as the requirement that PAH units be the applicants' permanent primary residence, the administrative fee, and PAH resale price calculation.

Coyote Ridge and Mineside Court lease agreements refer to the PAH Partnership Agreement in Town Policy for the resale terms and conditions, and the fact that they are subject to change at the discretion of the Town. The new lease agreements have the key provisions inserted within the lease agreement where they are not subject to change based on Town policy but through a lease amendment. This was done due to the requirement of mortgage lenders and preferences by purchasers for certainty in these terms and conditions.

While changes were made to this section in May 2009, they were only done to more accurately reflect CCHC's role in the resale process.

DISCUSSION

The discussion section is organized in three sections, each with its own recommendations from the Committee:

- 1) Eligibility Criteria – PAH Ownership
- 2) Eligibility Criteria – The Hector at Palliser Village
- 3) PAH Partnership Program

1. Eligibility Criteria: PAH Ownership

2009 Statistics and Demographics

- 18 applications received - 17 were approved and 1 was not.
- The unapproved application was due to net assets being significantly over the \$100,000 cap and the applicants combined income and assets did not demonstrate that the applicant was in "need" of affordable housing.

- The median income of all approved applicant households was \$49,920 and the average income was \$60,339. Incomes ranged from \$9,951 to \$112,781.
- The median value of assets was \$30,017 and the average value was \$42,270. Net asset values ranged from -\$9,800 to a high of \$220,674.
- Note that applicants with income and assets over the cap were considered based on a combination of their income and assets and affordability. The applicant with the highest assets also had the lowest income.
- The median pre approved mortgage amount was \$260,000. This statistic should be used with caution as it does not necessarily reflect the true value of the mortgage the applicant can be approved for.
- 141 inquiries were tracked in 2009. Staff screen inquiries to determine general eligibility. The main reasons for not qualifying are:
 - Work and live outside of Canmore
 - Work elsewhere and have lived in Canmore less than 5 years.
 - Assets over \$100,000 typically from ownership of property

Eligibility Criteria Issues and Recommendations:

6.3 Age and Citizenship: No significant concerns with these categories. In future, may want to change title of the “Citizenship” category to “Canadian Legal Status”.

Recommendation: no changes

6.4 Residency and Employment: This category presents the biggest barrier to inquiring applicants; however, the requirement to live and/or work in Canmore is important to ensure that applicants demonstrate a connection to Canmore as the PAH Program receives contributions from Canmore residents, Canmore developers, and the local and provincial governments.

Following the expansion of these categories in 2009, CCHC has fewer issues in qualifying households. One applicant indicated that *6.4.2 Canmore Long-Term Resident* five year requirement was too long and wanted it reduced to two years. Several people who had inquired also did not qualify as they had also lived in Canmore only two to three years. However, these applicants would qualify if they worked in Canmore even part-time.

The Committee discussed the use of the PAH Program as an employee retention versus employee attraction tool, noting that the six month employment requirement for *Canmore Permanent Employees* may be a deterrent to people moving to Canmore to work.

In general, this category of criteria appears to be synchronized with the demand of people who live and/or work in Canmore for whom the PAH Program is intended. However, the appropriateness of the five year long-term residency requirement and six month permanent employment requirement should be monitored and considered in future reviews.

Recommendation: no changes, but monitor long-term residency and permanent employment criteria.

6.5 Gross Household Income: To qualify to own a PAH unit, annual Gross Household Income shall not exceed 120 percent (%) of the Area Median Income for couple families. From May 2009 to April 2010, the income limit is \$105,000 based on 2008 estimated median income levels. The Gross Household Income cap will be updated for May 2010 to April 2011 to be based on 2009 median income estimates derived from Statistics Canada data.

Based on inquiries and applications processed, Gross Household Income appeared to be synchronized with demand. Tying the income cap to median incomes as opposed to the value of the most expensive PAH unit, does require CCHC to monitor maximum mortgages that PAH applicants would be able to afford to ensure that the most expensive PAH home is still affordable to eligible households. To do this, CCHC calculates the maximum mortgage based on two scenarios, one with more conservative assumption, as demonstrated below:

Scenario 1:

Assumptions

- 30 year amortization period
- 5% down payment
- 5 year closed mortgage interest rate of 6%
- allowable Gross Debt Servicing Ratio of 30%
- monthly household costs of \$380
- mortgage insurance of 2.75%

Based on these assumptions, a household earning \$105,000 would be able to purchase a home valued at approximately \$386,000.

Scenario 2:

- 35 year amortization period
- 5% down payment
- 5 year closed mortgage interest rate of 5.5%
- allowable Gross Debt Servicing Ratio of 30%
- monthly household costs of \$380
- mortgage insurance of 3.15%

Based on these assumptions, a household earning \$105,000 would be able to afford a home valued at approximately \$435,000.

As of December 31, 2009, the most expensive PAH home was \$386,000.

Based on these calculations, it would appear that the gross household income as determined by median income remains adequate. It should also be noted that current income is likely to be higher than the prior year's income used to qualify for PAH, thus making the most expensive PAH home even more affordable. In addition, Section 6.7 does allow CCHC the discretion to approve applications with variations to either the Net Household Asset or Gross Household Income cap, provided the new combination of income and assets results in the household being able to afford no more than the most expensive PAH unit in inventory that does allow us some flexibility as well.

Recommendation: no changes, but monitor any changes in qualifying for mortgage.

- 6.6 Net Household Assets:** Net household assets of up to \$100,000, excluding RRSP, RESP, RRIF, and Pension Plans, are allowed.

Two applications were approved with variations in 2009 as permitted under Section 6.7, while one application was not approved as they exceeded the asset cap. There were also several inquiries where applicants were over the asset cap. Generally, the asset cap is exceeded due to the ownership of real estate either in Canmore or elsewhere.

In the past there have been discussions about removing the asset cap completely or to tie it to inflation. The former would require a broader discussion of the intent of the PAH Program, while the latter would result in a small change that is not currently needed.

Recommendation: no changes

- 6.8 Mortgage Pre-approval:** A mortgage pre-approval is required to ensure that the Waiting List is a credible list of ready purchasers as they have spoken with a lender or broker to get a sense of what they can afford. Only one applicant had difficulty receiving mortgage pre-approval due to her current inability to work, but a letter was received from a mortgage broker supporting her application.

Recommendation: no changes

2 Eligibility Criteria: The Hector at Palliser Village

2009 Statistics and Demographics

- 247 inquiries were received
- 73 applicant households were approved, of which 44 leased units
- Tenants have an average Canmore residency of 2.88 years
- Tenant median income is \$23,363 and median age is 30
- 88% of tenants are employees, 2% self-employed and 10% either on long-term disability, homemakers or Assured Income for the Severely Handicapped (AISH) recipients with prior Canmore work experience. No tenants are retirees.
- 75% of tenants are single person households, 11% single parent households, 7% couples with no children and 7% are single persons living together.
- 62% of tenants are female.

- A. Age and Citizenship:** no issues with the criteria but category of “Citizenship” should be changed to “*Canadian Legal Status*” to more accurately reflect the category of criteria.

Recommendation: change Citizenship category to Canadian Legal Status

B. Employment:

There is a lack of clarity with the following terms used in relation to employment: “homemaker”, “retiree” and “self-employed”. While this gives CCHC discretion to interpret who may be included in these categories, there should be a common understanding as to who is accepted within each category. Whether this requires a change to policy or internal guidelines should be considered.

At present, CCHC interprets the categories as follows:

Homemaker: full-time caregiver of minor or adult dependents.

Retiree: AISH recipient (as they are deemed unable to work full-time) and seniors who state they are retirees.

Self-employed: persons with a Canmore business-license

This has generally worked, but one gap in the criteria is in the treatment of AISH recipients. At present AISH recipients are treated as retirees who require proof of three years prior Canmore work experience. However, there are potential AISH tenants who have long-term connections to Canmore and the Bow Valley, who are unable to demonstrate three years prior work experience as they have been unable to work from a young age or recently arrived in the area.

Based on the number of inquiries from social agencies on behalf of AISH clients or directly from the potential applicants themselves, there would appear to be strong demand from this client group. At the same time, The Hector has 12 barrier free units, 2 of which are fully-equipped, which present challenges to rent out. At present 6 are not rented representing 50% of all vacant units.

Recommendation: Include AISH as a separate category with the requirement of three years prior work experience OR five years residency in Canmore (or the Bow Valley).

- C. **Residency:** Based on current policy, as all units were not rented 60 days prior to possession, all residency requirements were removed. That has worked as we occupy the units; however, as waiting lists are started for specific unit types, consideration must be given again as to how residents of Canmore may be given priority over non-residents.

Originally, all tenants were required to currently live in Canmore and to have lived in Canmore for at least twelve (12) months prior to the effective date of the lease. That can be difficult to manage in an application process and with a waiting list, and applicants may screen themselves out from applying if they have not lived here a full year. It has also been observed that approved applicants with shorter Canmore residency are more likely to follow through and rent a unit than those who have been in Canmore longer.

Recommendation: Priority to be given to tenants who have lived in Canmore for at least one year prior to the effective date of the lease.

- D. **Net Household Assets:** There is no household asset cap in place and in general it would appear that applicants do not have significant assets. There have been some inquiries from retirees wanting to sell their home and move into the development but we have not had any apply, so it does not appear to be an issue.

Recommendation: no change

- E. **Gross Household Income:** The Core Needs Income Threshold requirement is a provincial grant requirement and cannot be changed, thus, there is no recommendation given.

3 PAH Partnership Program

Any changes to the terms of the PAH Partnership Agreement are to be done with great caution as these terms and conditions are fundamental to the PAH Program that has been built over

the past few years. The past year has seen much better understanding and acceptance of these key terms and conditions and there does not appear to be any circumstances to warrant changing the resale price calculation, the administration fee, and the requirement that PAH be the owners' permanent primary residence.

Recommendation: no change

ATTACHMENTS: *PAH Policy, Sections 6 and 7*
 CCHC Palliser Village Rental Eligibility Criteria

Prepared by: Jennifer Bisley, Managing Director
Prepared on: March 8, 2010



BOARD MEETING DATE: March 18, 2010

SUBJECT/TOPIC: **Managing Director's Report**

PURPOSE: For information

PRIORITY HIGHLIGHTS

1) PAH Development Plan

The Affordable Housing Demand Survey will be open for completion from March 15, 2010 to May 15, 2010. This information is expected to form the basis of the demand information for the development plan.

2) 2009/2010 Communication Plan Implementation

- a) Terms of reference for the review of CCHC's Guiding Directives has been issued to a list of consultants requesting expressions of interest by March 15, 2010.
- b) CCHC is recruiting a part-time term Marketing & Communications Officer to assist with the implementation of the Communication Plan, specifically in the area of public and client outreach.

MANDATE AND ACTIVITY HIGHLIGHTS

1. Research and Advice

- Submitted a statement of support to the Town Planning and Development Department on secondary suites, comments in relation to the Spring Creek Mountain Village ARP and associated bylaw changes and prepared a draft submission regarding the Density Bonusing Regulation (Activity 1.5)
- Meeting scheduled with CAO of Bow Valley Regional Housing Authority to discuss areas of common concern.
- Survey to measure the demand for affordable housing in Canmore will be open to the public on March 15, 2010.

2. Management of Housing Inventory

- PAH Demand Assessment Committee met to review and discuss PAH Eligibility Criteria and make recommendations for the Board's consideration. (Activity 2.2)
- Coyote Ridge Condominium Association Board meeting scheduled for Tuesday, March 9, 2010. The draft Reserve Fund Study will be discussed. (Activity 2.4)
- All PAH Owners, freehold and leasehold, were sent information on the 2009 average % change in the Canadian all-items Consumer Price Index of 0.3% (released by Statistics Canada on January 19, 2010). Leasehold owners were also provided with PAH Property Value calculations as of December 31, 2009.

The Hector at Palliser Village (Rental) Update (March 8, 2010):

- 48 units, or 80% of units have been leased
- There were no approved applications in the past month despite over 20 inquiries. This is being attributed to the limited type of units available; limited activity in the marketplace; and due to ineligibility due to Canmore employment criteria. CCHC is following up on inquiries and targeting social agencies that may work with potential tenants who have mobility challenges.
- An Open House is scheduled for Wednesday March 10, 2010 from 11am to 2pm.
- Continue to communicate with the Province regarding the request to use a more appropriate income criterion specifically for one-bedroom units.

Availability as of March 8, 2010:

Unit type	Units Available	Total Units	% Leased	CNIT level
Studio/Bachelor	3	8	63%	\$ 27,000
One-bedroom	0	28	100%	\$ 30,000
Two-bedroom	6	20	70%	\$ 46,500
Three-bedroom	3	4	25%	\$ 63,500
Total	12	60	80%	

PAH Sale Update:

NEW LISTING: Mineside Court 2 bedroom, for sale by owner, priced at \$218,197

PAH List Update: (March 8, 2010)

	Master List	Sub-lists	
		General PAH	PV Rent
Approved	16	14	2
Pending	0	0	0
Total	16	14	2

3. Communications

- Consultants were invited to express interest in facilitating the process to review CCHC Guiding Directives before March 15, 2010. (Activity 3.1; Priority 2)
- Recruiting a part-time term Marketing & Communications Officer to support the implementation of outreach activities with a closing date of March 15 (Activity 3.2; Priority 2)

4. Administration

- Continue to undertake the annual audit process. Draft audit statements for Board review are scheduled for completion on March 11, 2010.

PERFORMANCE MEASURES

1. Occupancy rate at The Hector:

Target: 95%
Leased: 80%

2. Number of Applications Approved:

Number of Applications Approved by Sub-list in 2010

	Approved	Target	Achieved
(1) General PAH Ownership	2	20	10%
(2) Palliser Village Rental	8	40	20%
TOTAL	9	60	15%

3. Customer Satisfaction Survey: reporting in December 2010

Prepared by Jennifer Bisley, Managing Director
March 8, 2010