

City of Summerside

Affordable Housing Incentive Program (AHIP)

August 19, 2019

Purpose

The Affordable Housing Incentive Program (AHIP) is designed to stimulate the development of new affordable units in the City of Summerside.

Authority

The AHIP has been authorized by a resolution of Council, [COS 19-103], August 19, 2019. Council may terminate the program at any time by resolution. The program is a voluntary measure of the City and affirms that housing is not a legislated responsibility under the Municipal Government Act of PEI.

Affordable Housing Defined

For the purpose of this program the City definition of affordable will match that of the Canadian Mortgage and Housing Corporation (CMHC).

Eligibility Criteria

Public organizations, non-profit associations, crown agencies, and private developers

Applicants receiving financial support from affordable housing programs sponsored by Province of PEI and/or the Government of Canada which is not less than the sum of municipal incentives to be received.

Qualifying projects as works-in-progress having commenced construction by September 20, 2018

Program Incentives

Property Tax Grants

Grants providing property relief up to a maximum of 10 years, applied to new affordable housing developments. Grants are equal to the receipted municipal portion of property tax on a per-unit basis.

Development and Permit Fee Waivers

All the regular development and permit fees regularly charged for new housing developments will be waived if the development meets the CMHC definition of affordable

Downtown Bonus

All affordable housing projects meeting eligibility criteria within the boundaries of the city will be considered. Bonus incentives may be offered for projects sites to be located in the city's Business Improvement Area (B.I.A.).

City-Owned Land

The city may invite proposals through an Request for Proposals (RFP) process to identify municipal lands suitable for affordable housing development. A grant of such land, in part or in

whole, may be considered as a contribution towards a project judged to exhibit significant impact, scope, quality design, sound business case, and close alignment with the city's Official Plan.

Project Evaluation Criteria

Given that any affordable housing project will be unique, a standardized form will not be used for the purpose of application. Instead, applicants are invited to submit a written proposal which explains and illustrates their project. Meeting all the evaluation criteria listed below is not mandatory with the exception of provincial or federal financial support or both, which must be demonstrated. Other items on the list below provide a framework for applicants to anticipate the overall evaluation approach.

Council will give consideration to the following factors and criteria:

- Level of provincial or federal support (mandatory)
- Scope: number of affordable units
- Ratio of affordable units to market units
- Business case, forecasts, funding, corporate organization, owner equity
- Experience, project management leadership
- Accessibility features
- Location, proximity to amenities, zoning, neighbourhood compatibility
- Special infrastructure requirements
- Alignment with Official Plan
- Integration of public space, commons, urban design principles
- Project maturity (concept only up to shovel-ready)
- Estimated increase in property assessment
- Impact on municipal services, electric, water, wastewater, roads etc.
- Energy efficiency and/or renewable energy
- Unique or innovative features

Program Review

Prince Edward Island's Municipal Government Act (MGA) does not legislate housing responsibilities to municipalities. The City of Summerside's participation with affordable housing incentives therefore designed to temporarily supplement, not replace, federal and provincial programs and action plans with the types of support best delivered at a local level.

Annually, Council will review the programs for local relevance, uptake, and effectiveness to determine if the program should be continued or discontinued.

Public notice to discontinue the program will be one year.

Date Approved by City Council – August 19, 2019