

City of Saskatoon Support for Projects Stream Applicants

Support from the City in various forms can impact the scoring for projects submitted to the Projects Stream. The following outlines the implications associated with each component.

Operating Subsidies

Projects are prioritized for confirmed subsidies that maintain viability for longer periods.

- If the application is submitted by the City, as a level of government, the operating subsidy is expected to be confirmed for 20 years or more. If the operator ceases operations during that period, the City will be responsible for continuing operations.
- If a non-profit is submitting, the duration of the subsidy can vary between 0 to 20+ years, with greater points achieved for longer durations. If no government subsidy is confirmed or available, the non-profit has to demonstrate its capacity to support the units for the duration.

The City has not played a significant role in this aspect in recent years. Historically, between 1970 and 1991, the City did enter into unique funding agreements with the Saskatchewan Housing Corporation to provide five percent capital grants, and cover five percent of the operating losses on 14 different projects for the duration that the units remained on affordable rental market. This operating coverage remains in place today.

There is no formal policy guidance for this activity in place. In addition, the budget impacts of this are currently unknown.

Capital Expenses

Projects will be prioritized based on contributions towards cost sharing. Repayable loans are not eligible sources of funding or contribution.

Through Council Policy C09-002 - Innovative Housing Incentives, the City has the ability to provide a grant up to 10 per cent of the total capital cost of the residential portion of new projects, including the conversion of existing buildings to affordable housing. There are maximum amounts per unit based on unit size.

For 2023, the budget allocated to the Affordable Housing Reserve (Reserve) will impact the option of providing these capital grants.

If there is funding available in the Reserve in 2023, Administration will dedicate the funds to support RHI projects, including those under both the Cities and Projects Stream. Priority will be given to the projects submitted under the Cities Stream to ensure they have the best chance of success. Once all RHI projects under both Cities and Projects Stream are known, any remaining funding can then be allocated to other projects, as per Policy.

Expediting Municipal Processes (Occupancy and Completion)

Achieving 25% occupancy between 6 and 18 months, and full completion between 9 and 18 months receives additional points.

There are many factors that affect the ability to achieve the overall 18-month timeframe, including land availability and appropriate zoning, supply chain, labour supply, existing project partnerships and design readiness, etc.

Formal commitment on these components needs to be determined on a case-by-case basis, as many factors will be dependent on the specifics of the proponent's application. In every case, Administration will work to support the project to achieve its timelines and assist through any challenges in securing permits and other City requirements.

Assistance Securing Land

Points are given based on the readiness of sites to proceed, primarily in terms of securing a site. Increased points are achieved where an agreement for sale is in place but not closed; and more points are awarded where a lease from another level of government is in place for 20+ years, or where land is secured outright.

Assistance on this will be determined on a case-by-case basis depending on projects brought forward by proponents. In every case, Administration will work to assist. A formal lease of city-owned lands for the purposes of these projects has not been explored to date.

Affordability Duration

This factor provides increased points for maintaining affordability of the units for 30+ and 40+ years.

The City of Saskatoon will not be operating the units. Should a proponent want to indicate the longer commitment period, the City would indicate support of their plan.

Energy Efficiency and Accessibility

This applies to new construction only and assigns more points (up to 5 each) for

- exceeding the energy efficiency standards in the 2017 National Energy Code for Buildings (NECB) for Part 3 buildings or 2015 National Building Code (NBC) for Part 9 buildings; and
- exceeding the local/regional accessibility requirements. In Saskatoon, these requirements are equivalent to the National Building Code.

Should a proponent indicate plans to exceed the stated requirements, the City would indicate support of their plan.