



**CITY OF KINGSTON**  
**REPORT TO COUNCIL**

**Report No.: 12-126**

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**TO: Mayor and Members of Council**

**FROM: Lanie Hurdle, Commissioner, Community Services**

**RESOURCE STAFF: Sheldon Laidman, Director, Housing Department**

**DATE OF MEETING: April 3, 2012**

**SUBJECT: Delegated Approval and Signing Authority for Agreements under the Home Ownership Program**

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**EXECUTIVE SUMMARY:**

Housing Department staff administers the Home Ownership Program which has two components. The previous program was provided under the Canada-Ontario Affordable Housing Program and is known as the AHP Home Ownership Program. On September 6, 2011, Council endorsed a three year investment in a municipally funded home ownership program known as the Municipal Home Ownership Program. Both programs provide a forgivable loan to eligible households for a down payment on the purchase of a home.

There are various legal documents and agreements which must be signed by the Mayor and Clerk related to the Home Ownership Program. Home Owners are required to sign a Loan Agreement with the City which sets out the terms of the forgivable funding. As well, over the course of the twenty years that the home ownership loan is registered on title, there are occasions when the City is required to sign legal documents related to the Loan and its registration. Currently, each time there is a need for the City to sign such an agreement, it requires a separate Council report as this is outside the current delegated authority.

The purpose of this report is to request Council to delegate authority to the Commissioner of Community Services or her delegate to approve the documents and agreements for execution and to authorize the Mayor and Clerk to sign the documents and agreements required in the administration of the new Municipal Home Ownership Program and the previous provincially funded AHP Home Ownership Program.

Housing Department staff will ensure that all agreements have been reviewed and approved by the Legal Services Department prior to approval by the Commissioner and execution by the Mayor and Clerk.

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**RECOMMENDATION:**

**THAT** Council authorize the Commissioner, Community Services or her delegate to review and approve, for execution by the Mayor and Clerk, all documents and agreements related to the Municipal Home Ownership Program and the AHP Home Ownership Program as required and as approved by the Legal Services Department;

**AND FURTHER THAT** Council authorize the Mayor and Clerk to execute all documents and agreements related to the Municipal Home Ownership Program and the AHP Home Ownership Program as approved by the Commissioner, Community Services or her delegate.

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**AUTHORIZING SIGNATURES:**

ORIGINAL SIGNED BY COMMISSIONER _____ Lanie Hurdle, Commissioner, Community Services
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER _____ Gerard Hunt, Chief Administrative Officer

**CONSULTATION WITH THE FOLLOWING COMMISSIONERS:**

Cynthia Beach, <i>Sustainability &amp; Growth</i>	N/R
Denis Leger, <i>Transportation, Properties &amp; Emergency Services</i>	N/R
Jim Keech, <i>President and CEO, Utilities Kingston</i>	N/R

***(N/R indicates consultation not required)***

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**OPTIONS/DISCUSSION:**

The Home Ownership Program provides funding for the down payment towards the purchase of a home by eligible households. The funding is provided as a forgivable loan, paid to the lawyer in trust upon closing of the sale of the home, and registered on title behind the first mortgage. The loan is forgiven on the twentieth anniversary of ownership of the home providing the household still resides in the home and there has been no default on terms of the loan.

The AHP Homeownership Program is a component of the Canada-Ontario Affordable Housing Program which provides down payment assistance to households for the purchase of a house. The City of Kingston received sufficient funding to provide down payment assistance to sixty-three (63) households from 2007 to 2010.

The City of Kingston, as endorsed by Council on September 6, 2011, will be investing three hundred and forty thousand dollars (\$340,000) over the three (3) year period of 2012 – 2014 in a Municipal Home Ownership Program. It is expected that approximately thirty (30) households will be able to purchase homes with this municipal funding.

The Home Ownership Program requires various legal documents and agreements to be executed by the Mayor and Clerk including the following:

- Loan Agreement which is signed by the Home Owner and City of Kingston prior to receiving the Home Ownership funding and which sets out the terms of the Loan.
- Postponement Agreement which is required when a Home Owner is refinancing the home and the original first mortgage is paid out. The securities related to the down payment automatically move to first position and the new primary mortgage is registered in second. The City is then required to sign a postponement agreement to allow the new primary mortgage to move to first position and the City back to second.
- Discharge documents which are required when a Home Owner pays out the Loan prior to the twentieth (20) anniversary of the purchase of the Home.

In all cases, whenever any document or agreement is required to be signed by the Mayor and Clerk, Housing Department staff will ensure it is reviewed and approved by the Legal Services Department prior to approval by the Commissioner, Community Services or her delegate.

**EXISTING POLICY/BY LAW:**

Municipal Capital Facilities Provision of the Municipal Act

**NOTICE PROVISIONS:**

No notice requirements.

**ACCESSIBILITY CONSIDERATIONS:**

This report is available in alternative formats upon request, including translation to French.

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**FINANCIAL CONSIDERATIONS:**

None

**CONTACTS:**

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**OTHER CITY OF KINGSTON STAFF CONSULTED:**

Mary McIntyre, Housing Programs Administrator, Housing Department

Alan McLeod, Senior Legal Counsel, Legal Services

**EXHIBITS ATTACHED:**

N/A