

## Report HDR-SS-12-14

**To:** Chair Burley and Members of the Social Services Committee  
**From:** Anne Marie Shaw, Director of Housing  
**Meeting Date:** August 13, 2014  
**Subject:** The Blue Mountains Attainable Housing Corporation  
Homeownership Request  
**Status:** Recommendation adopted by Committee as presented per  
Resolution SSC60-14; Endorsed by County Council September 2,  
2014 per Resolution SSC122-14;

### Recommendation

**WHEREAS** the County of Grey has a Homeownership Program with Provincially set eligibility requirements such as the House Price Limit that would require a request from County Council to change;

**AND WHEREAS** the Blue Mountains Attainable Housing Corporation has requested the House Price Limit for the Homeownership Program be increased to \$261,600 from \$217,000 for The Town of Blue Mountains;

**AND WHEREAS** it has been established through Housing Studies and a real estate market comparison that \$217,000 limit could inhibit residents of the Town of Blue Mountains from participating in the Grey County Homeownership Program;

**NOW THEREFORE BE IT RESOLVED THAT** Report HDR-SS-12-14 be received;

**AND THAT** a request to the Province be submitted from Grey County Council to increase the Homeownership Program Housing Price Limit for The Town of Blue Mountains to \$261,600.

### Background

The Blue Mountains Attainable Housing Corporation's mandate is "to augment the supply of healthy, affordable and sustainable ownership housing units in The Blue Mountains which are affordable to a larger portion of the population."

The Board has reviewed the Homeownership Program and noted the maximum amount of a house price to be eligible for the program is too low for the Blue Mountains and has asked the house price maximum be increased.

The Homeownership Program is designed to provide renters with a loan, up to 5% of the purchase price, to assist them in purchasing their own home. The program assists eligible renters in the purchase of a home that does not exceed the purchase price of \$217,000. Applicants must be eligible for a mortgage and have a maximum household income of \$72,400.

The program limits are set by the Province and require a business case and a request from Council to be sent to the Province for approval.

### *Housing Studies*

In 2009, the Grey County Housing Study identified house prices in The Blue Mountains as being higher than the rest of the County. “Ownership Affordability” - As outlined in the Provincial Policy Statement is defined as housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households, which are those households in the 60th income percentile and below. In 2009 an affordable house price for the Town of Blue Mountains was assessed at \$246,700 based on the 60<sup>th</sup> percentile.

In 2010 the Blue Mountains commissioned their own housing needs study and identified \$261,000 as the affordable housing price based the 60<sup>th</sup> income percentile.

### Real Estate Market Price Comparison

A comparison of like houses in various areas of Grey County also illustrated the need for a different house price limit for the Blue Mountains. The comparison was of a three bedroom bungalow or raised bungalow with similar square footage. The average house prices were as follows:

Hanover	\$199,000 to \$203,000
Owen Sound	\$189,000 to \$212,000
Meaford	\$189,000 to \$219,000
Markdale	\$199,000 to \$203,000
The Blue Mountains	\$230,000 to \$274,000

## Conclusion

To date there has not been participation in the Homeownership Program from a resident of The Blue Mountains. It is hoped with a higher, more realistic house limit for the program for that area there will be future opportunity for participation. It is recommended this report with County Council support be submitted to the Province to request an increase in the house price limit for the Homeownership program to \$261,600 for the Blue Mountains.

## Financial / Staffing / Legal / Information Technology

### Considerations

All funds for the homeownership program are from the Federal/Provincial Investment in Affordable Housing Program.

### Link to Strategic Goals / Priorities

The Homeownership Program assists in the sustainability of affordable housing units.

Respectfully submitted by,

*Anne Marie Shaw, Director of Housing*