

Background and Previous Council Direction

Context

Attainable Homes Calgary Corporation is a non-profit corporation, created and wholly-owned by The City, working to help moderate-income Calgarians achieve their dreams of quality home ownership. Renewal of The City guarantee ensures that Attainable Homes Calgary Corporation can continue to meet its commitment to deliver affordable housing options to Calgarians.

Since 2009, through its down-payment assistance program, Attainable Homes Calgary Corporation has helped over 1,000 families attain home ownership.

The Corporation requires an operating credit facility to manage timing differences between cash inflows and outflows observed during its operating cycle, which involves new home construction, marketing, and new home purchase diligence. The absence of this type of financing would necessitate significant injection of equity by Attainable Homes Calgary Corporation's shareholder, which is not a feasible option for a non-profit organization

Attainable Homes Calgary Corporation was committed to purchase a fixed existing housing supply from builder partners for its down-payment assistance program; as at 2020 December 31 Attainable Homes Calgary Corporation had three units with a value less than \$620,000 remaining from a total of 28 units. Attainable Homes Calgary Corporation continues to market and sell its remaining inventory of housing, independent from Martindale and has reduce its current inventory, not including Reach Martindale, to five units.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2009 July 27	M2009-06	Attainable Home Ownership Program Update To provide an update on the creation of Calgary's Attainable Home Ownership Program and seek approvals related to the governance of the Special Purpose Entity and authorize a land disposition strategy to the Special Purpose Entity.
2010 January 25	M2009-11	Attainable Home Ownership Program Update Council passed Bylaw 64M2009, authorizing The City to lend to Attainable Homes Calgary Corporation up to \$10 million for financing Attainable Homes Calgary Corporation's operating expenditures.
2011 April 18	M2009-06	Tabulation of Loan Bylaw 31M2011 To provide a loan to Attainable Homes Calgary Corporation in respect of the transfers of land as per Schedule A of the Bylaw and reports M2009-11 & M2009-06, as rectified by the General Manager, Corporate Services.
2013 July 29	NM2013-20	Notice of Motion Council resolved that Attainable Homes Calgary Corporation work with Administration to determine appropriate credit facility options and make recommendations to support achieving its mandate and report back to Council through the Priorities and Finance Committee no later than 2013 December 10.
2013 December 10	PFC2013-0754	Attainable Homes Calgary Corporation Line of Credit – Deferral Request Administration requested a deferral to report back to the Priorities and Finance Committee by 2014 May to allow sufficient time for Attainable Homes Calgary Corporation to prepare and present its business plan to its Board of Directors and enable Administration to complete its due diligence and provide recommendations.
2014 July 22	PFC2014-0392	Attainable Homes Calgary Corporation Line of Credit Request Council passed Bylaw 41M2014, authorizing The City to guarantee the repayment of the Revolving Debt Facility to a maximum sum of \$10 million in accordance with terms and conditions outlined in a credit agreement between The City and Attainable Homes Calgary Corporation.

2016 April 13	Urgent Notice of Motion	Debt Capacity of Attainable Homes Calgary Corporation Council directed Administration to postpone and subordinate The City's security position in favour of any lender who provides financing to Attainable Homes Calgary Corporation, outside of the Revolving Debt Facility, from time to time, provided that such postponement and subordination shall only secure the value of the assets being financed by the lender.
2019 May 27	C2019-0708	Attainable Homes Calgary – Enabling \$2 Million Incremental Short-Term Financing Council directed Administration to postpone and subordinate security that The City held with respect to Attainable Homes Calgary Corporation's Reach Martindale housing development and provide a consent to assign proceeds from the sale of housing units within the Martindale Project. Administration was also directed to work with Attainable Homes Calgary Corporation to review its long-term business plan when available and bring a progress update report back to Council through the Priorities and Finance Committee no later than 2019 November 5.
2019 November 05	PFC2019-1294	Attainable Homes Calgary Corporation – Progress Update Report Council directed administration to provide a one-time waiver of Attainable Homes Calgary Corporation's breach of its annual Interest Coverage Ratio for the period ending 2018 December 31, subject to the same waiver being received from Attainable Homes Calgary Corporation's Lender. Administration was also directed to amend any existing agreement between The City and AHCC as applicable and to reflect Attainable Homes Calgary Corporation's credit facility renewal with its financial institution in form and content acceptable to the City Treasurer.