



TOWN OF LEADER

Housing Reserve Fund Policy

PURPOSE

The Housing Reserve Fund (the “Fund”) is established to support the creation, preservation and enhancement of affordable housing within the Town of Leader. This policy ensures the Fund is managed responsibly, with a defined minimum threshold to provide long-term sustainability of the Fund and its use with the Housing Incentive Policy.

MINIMUM & MAXIMUM THRESHOLD

The Fund shall maintain a minimum of twenty-five thousand dollars (\$25,000) at all times and a maximum threshold of fifty thousand dollars (\$50,000). The thresholds shall be reviewed every 3 years (or as needed) to ensure the Fund remains aligned with the Housing Incentive Policy and the needs of the community.

SOURCES OF CONTRIBUTIONS

Contributions to develop and maintain the Fund may include:

- **Annual Operating Budget Allocations** – A dedicated transfer from the annual tax levy.
- **Development Levies/Fees** – A portion of development permits & building permits.
- **Grants and External Funding** – Government and non-government grants for housing.
- **Land Sales or Leases** – Proceeds from the sales of Town property and municipal lot rentals.
- **Donations** – Voluntary contributions from individuals, organizations or businesses.
- **Investment Income** – Interest earned on Fund balance.

MAINTAINING THE MINIMUM THRESHOLD

To ensure the minimum threshold is maintained the following strategies are to be utilized:

- **Mandator Replenishment** – If the Fund balance falls below the minimum threshold, annual budget contributions shall be increased until the threshold is met.
- **Prioritization of Grants** – When funds approach the minimum threshold, Capital Grant incentives will be limited to only essential projects.
- **Investment Strategy** – Funds not immediately required will be invested conservatively in high interest savings accounts or GIC's in which all returns will be reinvested into the Fund.



RESPONSIBILITIES

Administration:

1. Ensure compliance with the policy;
2. Ensure the reserve has the necessary balance to issue approved Capital Grants.
3. Assess reserve needs during the annual budget deliberation.
4. Bring forward amendments of the policy for consideration by Council.
5. Direct the required amounts to be deposited into the reserve fund and corresponding investment accounts.

Town Council:

1. Consider recommended amendments of the policy.
2. Consider funding of the reserve fund during budget deliberations.

POLICIES REPLACED

This Policy replaces and supersedes any prior policy.

REVISION HISTORY