

Approval Date: December 22, 2008

Parent Policy: [Recruitment Policy](#)

## Housing Support Procedure

<b>Office of Administrative Responsibility:</b>	Faculty Relations
<b>Approver:</b>	Provost and Vice-President (Academic)  Vice-President (Finance and Administration)
<b>Scope:</b>	Compliance with University procedure extends to all members of the University community.

### Overview

As a result of the housing market, Senior Administration and Deans and Chairs have found that new academic hires require assistance in establishing themselves in a principal residence. There are also cases where assistance may be required in order to retain a valued academic staff member who may otherwise wish to relocate to another university where the housing market is more favourable. As a result, the University has implemented this program to create consistency and remain competitive in attracting and retaining outstanding academic staff.

### Purpose

To outline how the housing support program works in order to aid in the recruitment and retention of academic staff members (hired under the APO, Librarian, Faculty, and FSO Agreements) and including senior academic administrators.

## **PROCEDURE**

The President, a Vice-President, or a Dean has the authority to provide an academic staff member with either a Housing Loan or a Housing Allowance, in accordance with these procedures.

1. For recruitment purposes, the Housing Program may be accessed until the end of the first year of employment.
2. For retention purposes, requests for the Housing Program will be dealt with on case-by-case basis, in consultation with Office of the Provost and Vice-President (Academic).
3. A Housing Loan or a Housing Allowance is available for the purchase of a principal residence for the staff member.
4. There shall be one Housing Loan or Housing Allowance available per principal residence.
5. Funds for the Housing Loan or the Housing Allowance will be released to the staff member following the execution of a Housing Loan Agreement or a Housing Allowance Agreement and when the University is provided with a copy of a fully executed purchase and sale agreement for the residence. Faculty Relations will prepare the necessary Agreements.

### HOUSING LOAN

1. Funds for the Housing Loan will be provided through the University Internal Loans Program; hence the availability of total Housing Loan funds will be subject to capacity limits within the University Internal Loans Program. Approval from Faculty Relations must be received in advance of offering the Housing Loan to a recruit or to a staff member.

2. A staff member may receive a maximum \$50,000 housing loan, which is amortized over 5 years, with the principal repayable in accordance with these procedures and the Housing Loan Agreement. There will be no interest payable by the staff member but this interest-free status may constitute a taxable benefit pursuant to the Income Tax Act (Canada). The principal repayment options which may be offered include:
  - a. 60 equal monthly payments by payroll deduction (e.g. for a \$50,000 Housing Loan would be 60 months of \$833.33 payments); or
  - b. 24 equal monthly payments at a reduced rate, followed by 36 equal monthly payments at an increased rate, by payroll deduction (e.g. for a \$50,000 Housing Loan would be 24 months of \$416.66 payments followed by 36 months of \$1,111.11 payments); or
  - c. Lump sum to be paid at the end of the 5 year term.
3. The Housing Loan Agreement will include a condition of payback should the staff member leave prior to the end of the term of the Housing Loan.
4. The present value of the forgone interest will be calculated utilizing the Alberta Capital Finance Authority (ACFA) 5 year rate and will be charged one-time, in advance, to the Department or Faculty.
5. The University may register a caveat against the principal residence of the staff member and the cost of such registration, and associated Land Titles searches, will be charged to the Faculty or Department.
6. If the Housing Loan is defaulted, the staff member will be considered responsible. In such cases, the University may take commercially reasonable collection steps.

#### HOUSING ALLOWANCE

1. Funds for the Housing Allowance will be provided by the Faculty or Department.
2. A staff member may receive a maximum \$30,000 Housing Allowance, which is taxable and is released either in one lump sum, or in installments to the staff member over 2-5 years in accordance with the Housing Allowance Agreement.
3. The Housing Allowance Agreement will include a condition of payback should the staff member leave prior to the end of the term of the Housing Allowance.

To request an exception to these procedures, the Dean or Vice-President must provide a written request to Faculty Relations. Faculty Relations will review the request and make a recommendation to the Provost or, in the case of a request from the Provost, the President, for consideration and a decision and Faculty Relations will communicate the decision to the Dean or Vice-President.

#### **DEFINITIONS**

There are no definitions for this procedure. [\[▲Top\]](#)

#### **FORMS**

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[Housing Loan Approval Form](#)

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[Housing Support Program Procedure for Requests for Housing Loans](#) (University of Alberta)