

COMMUNITY HOUSING SUPPLY GRANT PILOT PROGRAM

Program Guide

September 2023

HOUSING SERVICES

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Overview

In [February 2023](#), York Region Council approved funding for a non-profit development pilot program to support the Regional Municipality of York in increasing the supply of community housing. This is a key objective identified in [Housing Solutions: A place for everyone, Phase 2 Plan: 2019 to 2023](#), the Region's 10-year housing and homelessness plan.

York Region is inviting non-profit and cooperative housing organizations with interest in rental housing development and management to apply for the Community Housing Supply Grant Pilot Program (“the Program”).

Applications must be submitted to hpsupplygrant@york.ca by **November 10, 2023 at 4:30 p.m.**

CAPITAL FUNDING

Preliminary funding allocations for the Program are:

- \$5,497,094 in 2023
- \$4,675,145 in 2024

Capital funding will be provided in the form of a conditional grant. Successful applicants will be required to enter into a Contribution Agreement with the Region outlining the conditions and obligations for the development and operation of the project. Security for funding will be registered on title to the property for the duration of the 20-year affordability period.

Funding will be advanced to successful applicants based on key construction milestones:

- 50% at signing of the Contribution Agreement
- 40% at confirmation of structural framing
- 10% at confirmation of occupancy

Successful applicants may be required to provide additional documentation to Region to confirm achievement of construction milestones for funding advances, including:

- Quarterly reports showing actual versus forecasted spending
- Completion report showing actual costs
- Any additional reports or documentation deemed necessary by the Region

The Region may modify the payment schedule on a project-by-project basis for projects that require accelerated payments.

Any unused funding, or funding that has been used for purposes other than what is eligible under the program, must be returned to the Region immediately upon request.

Eligibility

Applicants and proposed projects must meet all eligibility requirements to be considered for funding.

Funding is available to registered non-profit organizations in good standing whose primary object is to provide housing under the *Not-for-Profit Corporations Act, 2010* or the *Canada Not-for-Profit Corporations Act*, and non-profit housing cooperatives in good standing under the *Co-operative Corporations Act*, that will own and operate the housing project as non-profit or cooperative housing for a minimum of 20 years. Applicants must have experience in residential housing development and operation of projects of similar scope, scale and complexity within the proposed time and budget, or have a partnership with an experienced organization that will provide these services. Applicants must have the financial and operational ability to carry the project. Projects must have a minimum of 10 residential units.

Only projects located in York Region are eligible. The Region will consider funding for:

- New construction;
- Conversion of non-residential buildings to community housing;
- Additions or extensions to an existing community housing building;
- Community housing redevelopment resulting in an increased supply of units.

Units must be self-contained. A self-contained unit includes a kitchen, a bathroom, living area, sleeping area, and a separate entrance.

Applicants must be the current registered owner of the land that the proposed project will be built on.

Successful applicants will be required to obtain all municipal development permissions and planning approvals. Preference will be given to applicants can demonstrate a readiness to begin construction in 2024 or sooner.

INELIGIBLE PROJECTS

The following projects are ineligible for funding under the Program:

- Projects proposed by private sector and for-profit proponents
- Secondary suites in owner-occupied housing
- Nursing and retirement homes
- Emergency shelters and crisis care facilities
- Owner-occupied housing
- Student residences

AFFORDABILITY REQUIREMENTS

A minimum of 10 units in the project must be affordable at no more than 100% average market rent (AMR) in the local municipality, as determined annually by Canada Mortgage & Housing Corporation (CMHC), for a minimum period of 20 years. If AMRs are not available for the unit size or local municipality where the project is located, the Region will determine AMR. Rents may be increased by the rent increase guideline during the affordability period; at no point during the affordability period may rents for the affordable units exceed 100% AMR.

Preference will be given to projects with a higher proportion of affordable units and those that provide deeper levels of affordability. Affordable units may be eligible for rent supplement funding from the Region, if available, to help address the gap between the affordable market rent for the unit and what the tenant can afford to pay based on 30% of household income. The need for rent supplement funding will be determined on a project-by-project basis.

Proposals that can deliver deeper levels of affordability through lower market rents or internal subsidies, thereby reducing the need for Regional rent supplement funding, will be scored higher.

Household Eligibility

Any units subsidized through a rent supplement agreement must be filled by selecting households from York Region's subsidized housing wait list. For more information on the subsidized housing wait list eligibility, please visit york.ca/applyforhousing. Housing providers who will manage the selection of households to fill rent supplement units will be scored higher.

Reporting Requirements

Housing providers will be required to report annually to the Region to verify that affordable units continue to meet the affordability requirements throughout the term of the agreement. Additional reporting will be required where rent supplement funding is provided by the Region. The Region reserves the right to request audited financial statements for the completed project from time-to-time throughout the term.

OTHER AVAILABLE FUNDING

This funding is stackable with available federal/provincial funding programs, provided applicants meet the eligibility and application requirements of those programs. If permitted, the Region may use this call for applications to allocate any available funding under these and potentially other programs to eligible proponents:

- Canada-Ontario Community Housing Initiative (COCHI) – New Build Component (only available to transferred social housing providers under the *Housing Services Act, 2011*)
- Ontario Priorities Housing Initiative (OPHI) – Rental Housing Component

The Region will also consider projects under consideration for funding through CMHC programs, such as the Rental Construction Financing Initiative and National Housing Co-Investment Fund.

Application and Evaluation

Funding will be awarded through a competitive call for applications process to eligible non-profit and cooperative organizations. Applications must be submitted by the submission deadline.

Following the application submission deadline, the Region's review committee will review and evaluate applications based on the eligibility requirements and evaluation criteria, using the information submitted in the applications. The review committee may request the applicant to clarify information provided in their application or to provide additional information if required.

The review committee will prepare a written evaluation score for each applicant. All applicants will be notified of the review committee’s decision and successful applicants will be informed of next steps. The review and evaluation process will take approximately 60 days from the application submission deadline.

In order to receive funding, successful applicants will be required to enter into a Contribution Agreement with the Region. The Contribution Agreement will outline the responsibilities of the Region and applicants during the construction and operation of the project for the term of the agreement. If requested by the Region, the successful applicant may be required to register the Contribution Agreement on title.

The entering into of the Contribution Agreement and receipt of the conditional grant will be subject to the approval of Regional Council or its delegate, as well as the passing of any by-laws that the Region considers necessary.

APPLICATION REQUIREMENTS AND DOCUMENTATION

Applicants will be required to complete and submit the following with their application package:

1. Completed Project Information Sheet
 - a. Applicant and Project Information
 - b. Proposed Rents
 - c. Capital Budget
 - d. Operating Budget
 - e. Statement of Proposed Equity Contributions
 - f. Financial Summary
2. Required Supporting Documentation
3. Completed and Signed Form of Submission

Each section of the application will be evaluated in accordance with the Region’s internal scoring. The Region reserves the right to prioritize and weigh the importance of each criterion confidentially.

1. Project Details

Applicants are required to provide details on the proposed project and attach additional documentation as necessary. Applicants will be required to provide additional project descriptions and justifications where indicated below with their application package; these descriptions and justifications may be completed on a separate form.

Required Information	Required Supporting Documentation
Project Type (new construction, conversion, addition/extension or community housing redevelopment)	<input type="checkbox"/> Complete in Project Information Sheet
Building form	<input type="checkbox"/> Complete in Project Information Sheet
Total number and sizes of units	<input type="checkbox"/> Complete in Project Information Sheet
Number of affordable units (100% AMR or lower)	<input type="checkbox"/> Complete in Project Information Sheet
Affordability details, including estimated rents	<input type="checkbox"/> Complete in Project Information Sheet

Required Information	Required Supporting Documentation
Proposed number of rent supplement units	<input type="checkbox"/> Complete in Project Information Sheet
Target households (e.g., seniors, victims of domestic violence, etc.)	<input type="checkbox"/> Complete in Project Information Sheet
Location and physical description of project	<input type="checkbox"/> Complete in Project Information Sheet <input type="checkbox"/> Description of project and location
Accessibility features of the building including number of accessible or barrier-free units	<input type="checkbox"/> Complete in Project Information Sheet (number of accessible units) <input type="checkbox"/> Description of all accessibility and barrier-free features/modifications of the building and units
Energy efficient building design (projects must meet or exceed the current National Energy Code and Ontario Building Code requirements for new construction)	<input type="checkbox"/> Description of all energy efficient features and how they meet or exceed National Energy Code and Ontario Building Code requirements
Zoning/planning approval status	<input type="checkbox"/> Complete in Project Information Sheet <input type="checkbox"/> List permits obtained with dates in Project Information Sheet <input type="checkbox"/> Provide confirmation of current planning and zoning status, or application status, and timelines to complete approvals
Designs, drawings, site plans and architectural feature of the building	<input type="checkbox"/> Description of designs, drawings and architectural features. <input type="checkbox"/> Provide designs, drawings as necessary <input type="checkbox"/> Note the rationale for any key design considerations or amenities
Proximity to transit, commercial, employment, and human services	<input type="checkbox"/> Complete in Project Information Sheet (approx. distance) <input type="checkbox"/> Context map
Current ownership status of site	<input type="checkbox"/> Provide status in Project Information Sheet <input type="checkbox"/> Provide proof of ownership being parcel register and/or transfer <input type="checkbox"/> Legal description of property and a copy of appropriate deed

2. Development and Operational Qualifications

Applicants must have experience in residential housing development and operation of projects of similar scope, scale and complexity within the proposed time and budget, or have a partnership with an experienced organization that will provide these services.

Required Information	Required Documentation
Profile of organization including history and mission/vision	<input type="checkbox"/> Description of organization, organizational profile including history, mission/vision <ul style="list-style-type: none"> • Please also provide a summary of this description in the Project Information Sheet <input type="checkbox"/> Organizational chart of how team members relate to each other
Demonstrated qualifications and experience	<input type="checkbox"/> Resume of qualifications and experience of key personnel and organizational capacity to develop and operate the project
Identify key consultants retained or to be retained for project	<input type="checkbox"/> List of consultants retained for project, including roles and responsibilities
Sub-contractors	<input type="checkbox"/> List of all subcontractors known at this stage and their roles
Experience in undertaking similar projects	<input type="checkbox"/> Summary of experience with similar projects including: <ul style="list-style-type: none"> • General description of project • Project value • Project start date and duration • Degree of involvement • Contact information of principal person currently responsible for project • Copy of proof of legal incorporation in Ontario or Canada <input type="checkbox"/> List similar projects undertaken in Project Information Sheet

3. Corporate and Project Viability, Financial Information and Financial Plans

Applicants must demonstrate that the organization is financially sound and provide justification for the capital funding amount being requested. Applicants must also complete the Capital Budget, Operating Budget, Statement of Proposed Equity Contributions and Financial Summary tabs in the Project Information Sheet. The Region will use this information provided and all applicable supporting documentation to assess the applicant's financial ability to build and operate the project and manage debt. Applicants who cannot demonstrate sufficient funding and equity for the project may be deemed ineligible for funding under the Program.

Required Information	Required Documentation
Demonstrated financial competence and ability to deliver project on budget	<input type="checkbox"/> Letter authorizing Region to procure a written credit report <input type="checkbox"/> Audited financial statements for the past three years

Required Information	Required Documentation
Details of project funding	<input type="checkbox"/> Description of capital funding for the project, including all financing, mortgage financing and contributions from other sources, including other government funding. <input type="checkbox"/> Include proof of funding where applicable <input type="checkbox"/> List other sources of funding in Project Information Sheet
Details of equity to be contributed	<input type="checkbox"/> Statement of Proposed Equity Contributions (Project Information Sheet) <input type="checkbox"/> Description of equity to be contributed by applicant, detailing how additional required equity will be secured <ul style="list-style-type: none"> • Attach full plan if available
Evidence of financial solvency and stability	<input type="checkbox"/> Name, address, phone number, contact person of agencies providing financial surety on past or existing jobs <input type="checkbox"/> Name, address, phone number, contact person of applicant's corporate bank, including a letter describing availability of unused credit facilities and history of business relationship
Cost estimates (e.g., hard costs, soft costs, site costs, development and administration costs, financing, fees and permits)	<input type="checkbox"/> Copies of quotes, proof of costs, provide justification of any estimated costs as appropriate
Project Viability	<input type="checkbox"/> Justification for funding amount being requested <ul style="list-style-type: none"> • Please also provide summary of justification in Project Information Sheet <input type="checkbox"/> 5-Year Operating budget (complete in Project Information Sheet) <input type="checkbox"/> Capital budget (complete in Project Information Sheet) <input type="checkbox"/> Complete Capital and Operating budget templates in Project Information Sheet <input type="checkbox"/> Details of cash flow during construction including cash flow plan

4. Project Timeline and Development Schedule

Applicants must demonstrate their ability to advance the project in a timely manner. Preference will be given to applicants who can demonstrate their ability to begin construction in 2024 or sooner.

Required Information	Required Supporting Documentation
Project Timelines and Milestones	<input type="checkbox"/> Provide key construction dates in Project Information Sheet

Required Information	Required Supporting Documentation
	<input type="checkbox"/> Description of project timelines and key milestones, including anticipated start date and completion date (e.g., Gantt Chart, project management timeline)

EVALUATION CRITERIA AND SCORING

The table below provides a summary of the scoring criteria.

Criteria	Score
1. Project Details	30
2. Development and Operational Qualifications	25
3. Corporate Viability, Financial Information and Financial Plans	30
4. Project Timeline and Development Schedule	15

Contact Information

All questions regarding the Program may be directed to hpsupplygrant@york.ca.