

HOUSING PROVIDER CAPITAL REPAIRS GRANT PROGRAM

Program Guide

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1. OVERVIEW

In [April 2023](#), York Region Council approved the development and implementation of a conditional capital grant program (the “**Program**”) to address the critical capital repair needs of community housing providers. This Program has replaced the Region’s Additional Subsidy and Secured Loan Program to better address housing provider needs and is available to all community housing providers meeting the eligibility criteria set out in Section 3.

2. FUNDING

Program funding is confirmed through the annual Regional budget process. Individual housing provider funding will be confirmed once Regional Council approves the annual budget, usually in December of each year. Funding is provided in the form of a conditional grant. Funds are not repayable provided housing providers comply with affordability requirements and community housing program obligations throughout the affordability period, as set out in this guide.

Funds will only be available to housing providers up to the approved amount for the approved scope of work identified in the contribution agreement. Any costs exceeding the approved amount or for work not identified in the executed contribution agreement will not be covered by the Region and will exclusively be paid for by the housing provider.

Any errors or omissions with respect to funding issued to the housing provider must be reconciled within 60 days of receipt of the payment by the housing provider.

Housing providers are encouraged to consider strategic capital repairs identified through building condition audits and/or their 10-year capital needs assessments.

3. PROGRAM ELIGIBILITY

To be eligible for the Program, housing providers must meet one of the following:

- Designated housing projects under Part VII or a housing project that is being operated pursuant to a Service Agreement under Part VII.1 of the *Housing Services Act, 2011*; or
- Federal non-profit providers with a federal operating agreement; or
- Housing providers with active contribution agreements under a federal/provincial affordable housing program, their extensions, or successor programs (e.g., Canada-Ontario Affordable Housing Program, Investment in Ontario Affordable Housing Program)

Additionally, housing providers must meet **all** the conditions below to be eligible for the Program:

- The housing provider does not have adequate funds to cover full capital costs. However, housing providers are expected to use their own funds first.
- The housing provider is in compliance with all existing community housing program obligations, including continued use of the Region’s subsidized housing wait list to fill subsidized units

Eligible projects may include the following activities:

- Repairs are required to address a health and safety or regulatory standard
- Repairs are required to prevent deterioration of the asset

- Building elements have reached the end of their useful life and bulk replacement is more cost effective than replacing individual components as they fail

Other repairs or modifications may be considered, with supporting documentation, at the discretion of the Region. Other eligible costs may include all technical, architectural, consulting, engineering, legal and administrative services and materials that are supplied to carry out these services, which are necessary or incidental to completing the capital repairs.

4. AFFORDABILITY REQUIREMENTS

Housing providers receiving funding under the Program must continue to comply with all existing community housing program obligations for a 10-year affordability period that commences upon completion of the repairs or modifications.

For the duration of the affordability period, the housing provider must comply with their applicable community housing program obligations under *the Housing Services Act, 2011*, an existing operating agreement, or an affordable housing program contribution agreement. The housing provider must also comply with their obligations to maintain a number of subsidized units as determined under the *Housing Services Act, 2011*, a Service Agreement, or a Rent Supplement or Regional Rent Assistance program agreement, and continue to allocate the subsidized units through the Region’s subsidized housing wait list. Any existing community housing program obligations will continue to apply even if they expire prior to the end of the affordability period.

Housing Provider Type	Program Obligations
Part VII	<i>Housing Services Act, 2011</i>
Part VII.1	Service Agreement
Federal Non-Profit	Operating Agreement, Rent Supplement Agreement
AHP/IAH Provider	AHP/IAH/OPHI/COCHI Contribution Agreement, Rent Assistance Agreement

Any housing provider whose community housing obligations have ended may also enter into a Service Agreement with the Region pursuant to the *Housing Services Act, 2011* or another agreement that is acceptable to the Region for the purposes of ensuring that the housing project continues to provide a minimum supply of affordable units.

If a housing provider is found to be in non-compliance of the funding commitments during the affordability period, the Region will introduce remedies under the *Housing Services Act, 2011* or those available within any applicable executed legal agreements with the Region. Funds would be repayable to the Region if any conditions of the conditional grant contribution agreement are not met.

Additionally, if during the term of the repair grant contribution agreement including the affordability period, the housing provider must repay the funds to the Region if one of the following apply:

- The project that is the subject of the housing provider’s application ceases to be a designated housing project by entering into an exit agreement pursuant to either Part VII or Part VII.1 of the *Housing Services Act, 2011*; or
- The housing provider breaches the terms of their federal operating agreement; or
- The housing provider breaches the terms of their AHP/IAH contribution agreement
- The provider breaches the terms of a or Regional Rent Assistance Program agreement

5. APPLICATION PROCESS

5.1 Housing Provider Application Support

On an ongoing basis, Regional staff will work with housing providers to identify potential capital shortfalls by reviewing the housing provider's capital needs as needed. Housing providers are encouraged to consult with the Region on:

- **Capital needs assessments:** These assessments are based on lifecycle analysis, most recent building condition audits, asset management software, building elements reaching end of useful life or reaching failure, capital priorities, condition of building elements, building code and applicable codes and standards requirements and staff building knowledge. The capital needs assessment demonstrates the physical, social, environmental and operational cost benefit, and outlines the consequence of failure. This assessment provides information to allow the housing provider to update their 10-year capital needs assessment.
- **Program compliance assessment:** This assessment determines if the housing provider is in compliance with their respective community housing program (e.g., *Housing Services Act, 2011* compliance, federal operating agreements, Federal/Provincial contribution agreements, Regional Program Instructions, and other contractual obligations).

The Region will launch a call for applications and invite all eligible housing providers to apply for capital repairs funding. Housing providers must complete the Housing Provider Capital Repairs Funding Application Form and submit all supporting documentation by the application deadline. The Region may use applications submitted in previous years to award funding for future years.

Housing providers may be required to provide their updated 10-year capital needs assessment and building condition audits with their application.

Applications for funding will not be considered outside the application period for this Program, unless warranted by an emergency or exceptional circumstance as determined by the Region. In case of emergency or exceptional circumstances, housing providers seeking program funding outside the application period should contact their Program Coordinator.

The Region's review committee will evaluate all complete applications submitted during the application period and score them against the established evaluation criteria provided in this document. The applications that score the highest will be recommended for funding, subject to availability of Program funds. Successful applicants will be required to enter into a Contribution Agreement with the Region outlining the terms and conditions of funding.

If an applicant is unsuccessful in securing funding in a given year, they may reapply to the Program in subsequent years.

6. EVALUATION CRITERIA

Housing provider applications for funding will be evaluated and scored based on the criteria outlined below.

1. **Project Need:** The information provided should explain why the proposed project is necessary and demonstrate the repairs and rehabilitation required to bring a unit to an acceptable standard while improving health and safety and/or energy efficiency. The information provided should demonstrate any physical, social, environmental, and operational costs and benefits, and outlines the consequence of failure and not proceeding with the project.

The project need will be scored (0-10) with a weighted value of 50 points.

2. **Project Scope and Value:** The description of the proposed project should identify the full scope and impact of the project on residents and how the recommended project will positively affect the overall unit and/or building infrastructure/operations. Where possible, a description of the anticipated return on investment should be provided demonstrating how project savings will pay back the capital investment. The cost shows value by providing estimates or attached competitive quotes from vendors or consultant reports. If project incentives are available, an estimate of anticipated incentive amounts and their source should be provided.

The Region will consider any previously awarded capital repair funding, including funding under the Social Housing Electricity Efficiency Program (SHEEP), Social Housing Improvement Program (SHIP), Social Housing Apartment Improvement Program (SHAIP), Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI).

The project scope and value will be scored (0-10) with a weighted value of 35 points.

3. **Project Execution and Timeframe:** The applicant should describe the project timeframe in a methodical way identifying critical milestones and key time stressors that may affect the project. The applicant should include estimated dates for tendering, award of contract, construction start, construction end, project completion and warranty period if available.

If the applicant does not require project management support from the Region, the applicant must include a Project Management Plan that identifies critical process map (e.g., timeline for the project, Gantt chart, etc.), and, where available, a detailed breakdown of the project management team including experience of each team member. An expectation of all applicants is that they will procure professional consultant services for the development of project scope and preparation of specification and drawings to be utilized in a competitive bid process.

The project execution and timeframe will be scored (0-10) with a weighted value of 10 points.

7. PROJECT MANAGEMENT ASSISTANCE

If housing providers require project management support services, the Region may provide support for projects funded through the Program.

If housing providers do not need project management support from the Region, they must provide proof of adequate alternate arrangements, such as a professional project management team, and demonstrate capacity to oversee and manage the relationship with the project management team. The Region will have full discretion in determining whether projects will require further project management support.

8. REPORTING, CONTINUED ELIGIBILITY AND COMPLIANCE

8.1 Reporting Requirements During Construction

Housing providers are required to:

- Maintain an up-to-date account of project costs and funding
- Use the Funding Request and Reconciliation Form (included with the contribution agreement) along with vendor invoice to request funding from the Region
- Submit a Reconciliation Statement of Costs (included in the contribution agreement) within 90 days of final stages of completion of the capital work or the date established by the Region as the completion date. The Region may complete a formalized final inspection of all work.
- The Region may perform site visits before approving payment of funds

8.2 Reporting Requirements Following Completion of Construction

Housing providers are required to ensure continued eligibility and compliance with the Program throughout the affordability period. Housing providers will be required to:

- Provide audited financial statements annually to York Region within 150 days of end of each fiscal year
- Provide written notice to the Region of housing provider's non-compliance with any environmental laws or any release of a contaminant from the property
- Prepare and submit annual updates to housing provider's Annual Capital Budget for Regional approval and maintain expenditures only in accordance with the approved plan
- Develop and comply with a preventative maintenance plan within six months of execution of the Contribution Agreement
- Comply with inspections, audits and reviews by York Region or their delegates of all books and records relating to the Contribution Agreement as required

9. CONTACT

Housing providers should contact their Program Coordinator with questions about the Program.