COMMUNITY HOUSING SUPPLY GRANT PROGRAM

Program Guide

May 2025

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Opportunity

The Regional Municipality of York invites non-profit and cooperative housing organizations with a focus on community housing development and management to submit applications for the Community Housing Supply Grant Program (the Program).

Up to $14,500,000 in funding is available through the 2025 Community Housing Supply Grant. The Region will allocate this funding to one or more applicants based on an evaluation methodology that maximizes the number of new affordable community housing units to be constructed.

All applications to the Program must be submitted to hpsupplygrant@york.ca by no later than **July 18, 2025, at 4:30 p.m.**

Please refer to the program guidelines shown below for more information.

Overview

In February 2023, York Regional Council approved funding for a non-profit development program to support York Region 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, and has been identified as a critical priority by Regional Council for the next 10-year Plan.

CAPITAL FUNDING

Up to $14,500,000 in funding is available through the 2025 Community Housing Supply Grant. The Region will award this funding to one or more applicants through an evaluation process designed to maximize the number of new affordable community housing units to be constructed. It is important to note that successful applicants may not receive the full amount of funding requested in their applications.

Successful applicants will be required to enter into a Contribution Agreement with the Region prior to being awarded funding. The Contribution Agreement outlines the conditions and obligations for the development and operation of the project. The Contribution Agreement may contain additional terms not expressly set out in this Guideline, but which are deemed necessary by the Region to achieve the overall goals of the 2025 Community Housing Supply Grant.

Capital funding will be provided in the form of a non-repayable forgivable loan. Successful applicants will be required to register Security on Title to the property, as required in the sole discretion of the Region, for the duration of the Contribution Agreement. The loan does not need to be repaid as long as the applicant remains in good standing for the duration of the Contribution Agreement.

Funding will be advanced to successful applicants upon completion of the following key project milestones:

Milestone Payment	Requirements
First Installment: 1. 25% of awarded Community Housing Supply Grant funding	• Execution of the Community Housing Supply Grant Contribution Agreement and promissory note • Proponent confirms ownership via title to the Project Lands • Registration of notice of Contribution Agreement and all Securities, as required in the sole discretion of the Region, on Title of the Project Lands
Second Installment: 2. 25% of awarded Community Housing Supply Grant funding	• Construction has started within 120 days of the building permit being issued, including the first placement of permanent construction of the structure, such as the pouring of slabs or footings, installation of piles, construction of columns, or any work beyond the stage of excavation

Third Installment:
 	
3. 40% of awarded Community Housing Supply Grant funding
	• Completion of structural framing, as confirmed by one of:
	  ○ Structural Engineer of Record; or
	  ○ Municipal Building Inspector working for the local municipality where the Project Lands are located, as accepted under the Ontario Building Code; or
	  ○ Another professional assessment as agreed upon between the Region and the proponent

Fourth Installment: 4. 10% awarded Community Housing Supply Grant funding	• Publication of the Certificate of Substantial Performance of the Contract in accordance with the *Construction Act* • Expiration of the lien period in accordance with the *Construction Act* • Confirmation of occupancy through the submission of the Initial Occupancy Report and submission of an updated capital cost statement

The Region reserves the right to modify the percentage distribution of funding allocated at each milestone outlined above. Such adjustments may be made to better address the specific needs of the successful project or to mitigate potential risks to the Region.

Successful applicants may be required to provide additional documentation or meet other milestone requirements as deemed necessary by the Region to confirm achievement of key milestones for

funding advances. The Region may also 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. Only costs associated with the development of the proposed community housing project are eligible for funding under this program.

OTHER AVAILABLE FUNDING

Stackable Funding:

- The Community Housing Supply Grant Program allows for the stacking of funds with federal, provincial, and local municipal programs, provided applicants meet the eligibility and application requirements of those respective programs.

Canada Mortgage and Housing Corporation (CMHC):

- Projects that receive funding through CMHC programs, such as the Apartment Construction Loan Program and the Affordable Housing Fund, remain eligible to apply for the Community Housing Supply Grant Program, provided that the applicant is in good standing with those programs.

Additional Funding:

- This call for applications may also serve as a mechanism for future funding allocations, should additional resources become available through the following programs:
  - Canada-Ontario Community Housing Initiative (COCHI) – New Build Component
  - Ontario Priorities Housing Initiative (OPHI) – Rental Housing Component
  - Other provincial or federal funding

Contributions By Other Agreements

- As a condition of funding and throughout the duration of the Contribution Agreement, the Region, in its sole discretion, may require that successful applicants remain in good standing with all other funding agreements that it may have entered into for the project

Eligibility

Proposed projects must meet all eligibility requirements to be considered for funding:

Project Location:

- Funding is available to projects located in York Region, including projects within:
  - City of Markham
  - Town of Newmarket
  - City of Vaughan
  - Town of Georgina

- o City of Richmond Hill
- o Town of Aurora
- o Town of East Gwillimbury
- o Township of King
- o Town of Whitchurch-Stouffville.

Eligible Organizations:

- Funding is available to registered incorporated 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*.
- Funding is also accessible to non-profit housing cooperatives in good standing under the *Co-operative Corporations Act*.
- Eligible recipients must commit to owning and operating the housing project as non-profit or cooperative housing for a minimum period of 20 years.

Organization Experience:

- 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.

Types of Eligible Projects:

- The Region will consider funding for:
  - o New construction;
  - o Conversion of non-residential buildings to community housing;
  - o Additions or extensions to an existing community housing building;
  - o Community housing redevelopment resulting in an increased supply of units.
- Projects must provide permanent or long-term rental housing with self-contained units, where tenants or members can live independently. A self-contained unit includes a kitchen with complete cooking facilities, a bathroom, living area, sleeping area, and a separate entrance.
- Projects are encouraged to align with the Region's Building Design Guidelines and Accessibility Design Guidelines where possible.
- Projects must have a minimum of 10 residential units.

Land Ownership:

- Applicants must be the current registered owner of the parcel of land that the proposed project will be built upon.
- The Region may, in its sole discretion, decline to proceed with funding a proposed project due to security that is registered on title or security that is not registered on title.

Municipal Approvals:

- Successful applicants will be required to obtain all municipal development permissions and planning approvals.

Construction Timelines and Requirements:

- Preference will be given to applicants who demonstrate a readiness to begin construction.
- Construction must begin within 120 days of the first building permit being issued.
- Successful applicants shall comply with all of the Region's construction-related requirements pertaining to the funding of capital projects, including but not limited to obtaining satisfactory bonding and ensuring construction contracts contain mandatory provisions, as directed by the Region.

Insurance

- Successful applicants must obtain insurance coverage, as determined in the sole discretion of the Region, for during both the construction of the project and the affordability period on terms acceptable to the Region.

INELIGIBLE PROJECTS

The following projects are ineligible for funding:

- 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 residential 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.
- The Region will determine the applicable AMR if this information is not available for the unit size or local municipality where the project is located.
- 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.
- Affordable units may qualify for rent supplement funding from the Region, subject to availability. This funding is intended to bridge the gap between the affordable market rent for the unit and the amount tenants can pay, calculated as 30% of their household income. The allocation of rent supplement funding will be evaluated on a project-by-project basis and is contingent upon available resources.
- Preference will be given to projects that:
  - Provide deeper levels of affordability;
  - Propose a longer affordability period;
  - Maximize the number of affordable units relative to the overall funding request;

- o Are willing to enter into a rent supplement agreement with the Region and house households who are on or eligible to be on York Region's subsidized housing wait list; or
- o Deliver deeper levels of affordability through lower market rents or internal subsidies, thereby reducing the need for regional rent supplement funding.

HOUSEHOLD ELIGIBILITY

Rent Supplement

Any units subsidized through a rent supplement agreement must be made available to households who are on or eligible to be on York Region's subsidized housing wait list. For more information on the subsidized housing wait list and eligibility requirements, please visit york.ca/applyforhousing.

Rent supplement tenants pay rent geared-to-income in private rental apartments. The Region pays the landlord the difference between the tenant's subsidized rent and the market rental cost of the unit. Household incomes for tenants or members living in rent supplement units must be verified upon initial occupancy and annually as long as they continue to receive a rent supplement.

Housing providers who will manage the selection of households to fill rent supplement units will be scored higher.

No Rent Supplement

In absence of rent supplement funding, the applicant must verify household income of incoming tenants for affordable units. Annual household income for incoming tenants of affordable units cannot be greater than 40 times the CMHC AMR in the geographic area (i.e., the initial income limit for these units is the income that would result in the applicant paying 30% of their household income on rent). Household income does not need to be verified annually for in-situ tenants or members.

*Example: The 2024 CMHC average market rent for a one-bedroom apartment in Richmond Hill is $1,533. The maximum household income for an affordable one-bedroom unit in a proposed project located in Richmond Hill would be $1,533*40 = $61,320.*

Reporting Requirements

Additional documentation and reporting requirements may be requested as determined in the sole discretion of the Region to supplement the below documentation and reporting requirements.

REPORTING REQUIREMENTS DURING CONSTRUCTION

During the construction phase, successful applicants will be required to submit documentation to the Region to verify the project is progressing on schedule and within the approved budget. Required submissions include a quarterly capital budget analysis, a cost report, and a quarterly milestone report.

REPORTING REQUIREMENTS AT INITIAL OCCUPANCY

Prior to initial occupancy, the housing provider will:

- Provide proof that all units may be occupied in compliance with applicable laws;
- Demonstrate that units are marketed and rented up in a timely manner;

- Verify rents and tenants' eligibility for affordable units.

REPORTING REQUIREMENTS AFTER CONSTRUCTION

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 Contribution Agreement, report turnover of affordable units, and report incomes of any incoming tenants during the year. 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.

Application Evaluation

Funding will be awarded through a competitive call for applications process.

The Region's Review Committee will:

- Only evaluate applications received as complete prior to the submission deadline;
- Evaluate applications based on the Program's eligibility requirements and evaluation criteria, using the information submitted in the applications;
- Request an applicant clarify information provided in their application or provide additional information, if required;
- Prepare a written evaluation score for each application.

The Review Committee's evaluations will be verified by a separate Steering Committee prior to being finalized.

All applicants will be notified of the Review Committee's decision. Successful applicants will be informed of next steps.

The review and evaluation process will take approximately 60 days from the application submission deadline.

To receive funding, successful applicants will be required to enter into a Contribution Agreement with the Region. The 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 Contribution Agreement and receipt of funding 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. The Region may require that a successful applicant must also enter into a municipal housing project facilities agreement, pursuant to the *Municipal Act, 2001,* if the Region has determined that it is appropriate for the project.

APPLICATION REQUIREMENTS AND DOCUMENTATION

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

1. Completed Project Information Sheet
   - Applicant Information
   - Project Information
   - Proposed Rents
   - Capital Budget
   - 5-Year Operating Budget
   - Statement of Proposed Equity Contributions
   - 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 Program's evaluation criteria. 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. Where indicated below, applicants will be required to provide additional project descriptions and justifications within 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	☐ Complete in Project Information Sheet
Building form	☐ Complete in Project Information Sheet
Total number and sizes of units	☐ Complete in Project Information Sheet
Number of affordable units (100% AMR or lower)	☐ Complete in Project Information Sheet
Affordability details, including estimated rents	☐ Complete in Project Information Sheet
Proposed number of rent supplement units	☐ Complete in Project Information Sheet
Target households (e.g., seniors, victims of domestic violence, etc.)	☐ Complete in Project Information Sheet
Location and physical description of project	☐ Complete in Project Information Sheet ☐ Description of project and location
Accessibility features of the building including number of accessible units	☐ Complete in Project Information Sheet (number of accessible units) ☐ Description of all accessibility features/modifications of the building and units that meet or exceed Ontario Building Code requirements
Zoning/planning approval status	☐ Complete in Project Information Sheet

Required Information	Required Supporting Documentation
	☐ List permits obtained with dates in Project Information Sheet ☐ Provide confirmation of current planning and zoning status, or application status, and timelines to complete approvals
Designs, drawings, site plans and architectural features of the building	☐ Description of designs, drawings and architectural features. ☐ Provide designs, drawings as necessary ☐ Note the rationale for any key design considerations or amenities
Proximity to transit, commercial, employment, and human services	☐ Complete in Project Information Sheet (approx. distance) ☐ Context map
Current ownership status of site	☐ Provide status in Project Information Sheet ☐ Provide proof of ownership being parcel register and/or transfer ☐ 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	☐ Description of organization, organizational profile including history, mission/vision • Please also provide a summary of this description in the Project Information Sheet ☐ Organizational chart of how team members relate to each other
Demonstrated qualifications and experience	☐ 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	☐ List of consultants retained for project, including roles and responsibilities
Sub-contractors	☐ List of all subcontractors known at this stage and their roles

Required Information	Required Documentation
Experience in undertaking similar projects	☐ Summary of experience with similar projects including: • 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 ☐ 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 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	☐ Letter authorizing Region to procure a written credit report ☐ Audited financial statements for the past three years
Details of project funding	☐ Description of capital funding for the project, including all financing, mortgage financing and contributions from other sources, including other government funding. ☐ Include proof of funding where applicable ☐ List other sources of funding in Project Information Sheet
Details of equity to be contributed	☐Statement of Proposed Equity Contributions (complete in Program Information Sheet) ☐ Description of equity to be contributed by applicant, detailing how additional required equity will be secured • Attach full plan if available
Evidence of financial solvency and stability	☐ Name, address, phone number, contact person of agencies providing financial surety on past or existing jobs ☐ Name, address, phone number, contact person of applicant's corporate bank, including a letter describing

Required Information	Required Documentation
	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)	☐ Copies of quotes, proof of costs, provide justification of any estimated costs as appropriate
Project Viability	☐ Justification for funding amount being requested • Please also provide summary of justification in Project Information Sheet ☐ 5-Year Operating budget (complete in Project Information Sheet) ☐ Capital budget (complete in Project Information Sheet) ☐ Complete Capital and Operating budget templates in Project Information Sheet ☐ 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 readiness to begin construction. The construction of projects awarded funding must begin within 120 days of the first building permit being issued.

Required Information	Required Supporting Documentation
Project Timelines and Milestones	☐ Provide key construction dates in Project Information Sheet ☐ 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

Communications and Confidentiality Requirements

Successful applicants are required to keep funding awards strictly confidential and refrain from making any public announcements or advertisements about the funding award prior to:

- Execution of the Contribution Agreement;
- Funding awards being publicly announced by York Region; and
- Obtaining written consent from York Region.

Applicant may be required by York Region to install temporary signage at the project site for the duration of construction. Signage specifications will be determined by the Region.

The applicant acknowledges a breach of these requirements may result in termination of the funding award by the Region.

All public communication materials that include reference to York Region funding and/or the York Region logo require approval from the Region, which can be sought through the following process:

- **Step 1:** Funded organization is to send draft copies of the communication material(s) to **HousingDevelopment@york.ca**

  Note: It can take up to 10 business days to secure York Region approvals. Funded organizations are reminded to build this review time into workplans when providing the communication material(s) to the Region. Timelines will differ for communication material(s) where York Region is required to coordinate additional approvals from the federal and/or provincial governments.

- **Step 2:** Communication materials that include the York Region logo will be checked for correct placement and use requirements as outlined in the *York Region Logo Use: Style Guide for Funded Agencies.*
- **Step 3:** If the communication materials do not comply with the *York Region Logo Use: Style Guide for Funded Agencies,* specific feedback will be provided to the funded organization. Funded organization should make the necessary corrections and resubmit the communication material(s)for approval.
- **Step 4:** Only once York Region approval has been obtained should funded organizations proceed with printing, posting or distributing communication material(s) that reference York Region funding and/or include the York Region logo. York Region should be provided copies of the final communication material(s) and distribution details.

Contact Information

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